



**Executive Board of the
United Nations Development
Programme, the United Nations
Population Fund and the United
Nations Office for Project Services**

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101 May to 9 June 2017, New York

Item 1 of the provisional agenda

Organizational matters

**Report of the first regular session 2017
(30 January to 3 February 2017, New York)**

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I. Organizational matters

1. The first regular session 2017 of the Executive Board of UNDP, UNEPA and UNOPS was held at United Nations Headquarters, New York, from 30 January to 3 February 2017. The President of the Board welcomed all delegations and thanked them for their trust in his leadership and their commitment to the work of the Board.

2. In accordance with rule 7 of the rules of procedure of the Executive Board, the Board elected the following members of the Bureau for 2017:

President:	H.E. Mr. Ib Petersen (Denmark)
Vice-President:	H.E. Mr. Omar Annakou (Libya)
Vice-President:	Mr. Talal Aljamali (Yemen)
Vice-President:	H.E. Ms. Laura Elena Flores Herrera (Panama)
Vice-President:	Ms. Carolina Popovici (Republic of Moldova)

3. The Executive Board adopted the agenda and workplan for its first regular session 2017 (DP/2017/L.1), and approved the report of the second regular session 2016 (DP/2017/1). The Board adopted the annual workplan for 2017 (DP/2017/CRP.1) and approved the tentative workplan for the annual session 2017.

4. Decisions adopted by the Executive Board in 2016 appeared in document DP/2017/2, which was available on the UNDP website.

5. The Executive Board agreed to the following schedule for future sessions of the Executive Board in 2017:

Annual session 2017:	30 May to 9 June 2017
Second regular session 2017:	5 to 11 September 2017

UNDP segment

II. Statement by the Administrator and country programmes and related matters

6. In her opening remarks to the Executive Board (available on the UNDP website), the Administrator, UNDP, began by presenting a video on the UNDP role in recovery and rebuilding in Haiti. She commended the President of the Board and new Vice-Presidents on their election, and paid tribute to the outgoing President and Vice-Presidents. The Administrator noted that this was a very important year for UNDP, as it would be working with the Board to develop a new strategic plan to guide its work for the years 2018-2021. She stated that she had advised the Secretary-General of her intention to leave UNDP at the end of her second term in April. She thanked the Board for its support throughout her tenure.

7. Turning to current work, the Administrator began by describing UNDP contributions and responses to the outcomes of major development processes over 2016, including the New York Declaration for Refugees and Migrants, the New Urban Agenda, the Climate Change Conference in Marrakech (COP 22) and the Convention on Biodiversity Conference of Parties (COP 13). She noted that UNDP is the largest implementer of climate change initiatives in the United Nations development system, with a grant portfolio of over 2.8 billion across 140 countries, and leveraging another 5.65 billion in co-financing. UNDP also has the largest biodiversity and ecosystems portfolio in the United Nations development system, with around 400 projects across 120 countries worth 1.6 billion in grants, with a further 5.1 raised through co-financing.

8. On the United Nations General Assembly resolution on the 2017-2020 Quadrennial Comprehensive Policy Review (the QCPR resolution), the Administrator noted that Member States want the United Nations development system to deliver coherent and integrated support to implementation of the 2030 Agenda for Sustainable Development (the 2030 Agenda). She also stressed that the overarching principle of the 2030 Agenda is to leave no one behind, and that in pursuit of that, the UN system would need to work across the Charter and overcome silos. To that end, she noted that the capacity for joined-up analysis and planning was being strengthened, and so was the use of joint programming and multi-year joint funding, and of joint monitoring and evaluation. The transparency and frequency of common results reporting was also being enhanced. She further stressed that, as manager of the Resident Coordinator system, it was appropriate that UNDP pays the bulk of Resident Coordinator system expenses, noting, however, that getting support for a minor part of the cost by all parts of the system had proven problematic. She expressed the hope that an independent review would address this issue. On financing, the Administrator noted that the undg is actively exploring diverse financing options for 2030 Agenda implementation and shared that undg was in the final stages of setting up a undg Joint Fund for the 2030 Agenda, which would facilitate providing integrated policy support to implementation of the Sustainable Development Goals at the country level.

9. The Administrator stated that steady progress was being made on the new UNDP strategic plan 2018-2021. She affirmed that the vision of the new plan would build on the current one of helping countries to achieve the simultaneous eradication of poverty and significant reduction of inequalities and exclusion. However, she noted the emergence of certain global trends likely to shape the new strategic plan, including (a) the need to respond to protracted crises, violent extremism, forced displacement, and major migrant movements; (b) the deepening effects of climate change and the global commitments to address these, which call for supporting accelerated adaptation and new models of inclusive and low-carbon growth; (c) fast urbanization, particularly in developing countries, and its associated challenges and opportunities; and (d) rising or high inequality within many countries and the ramifications for the economy, governance, human development, and social cohesion. She pledged that UNDP would avail itself of the expanded range of development actors and funding arrangements currently available, including a greater role for South-South cooperation as a complement to Official Development Assistance.

10. The Administrator reported that UNDP had led "MAPS missions" to nine countries last year, in line with the undg-agreed Mainstreaming, Acceleration, and Policy Support approach to country support for implementing the 2030 Agenda. She stated that a further 40 MAPS missions were planned for this year. She described other areas of UNDP contribution to progress on the Sustainable Development Goals, in addition to UNDP management of the Action Campaign on behalf of the United Nations development system. These included developing specific global indicators for the Sustainable Development Goals, supporting countries to assess and improve their national data capacities for achieving them, and offering technical assistance to countries undertaking voluntary national reviews at the High Level Political Forum in July this year.

11. Turning to work in crisis settings, the Administrator briefed the EB on UNDP efforts in Syria, Lebanon, Jordan, Iraq, Libya, Yemen, Somalia, South Sudan, Central African Republic, Nigeria, and Gambia.

12. The Administrator then reported on various assessments of UNDP programmes and operations. She noted that the Institutional Effectiveness Assessment led by the Office of Audit and Investigation and the Independent Evaluation Office had observed improvement in the quality of country programme documents. Additionally, with the most recent audit for the year ending December 2015, UNDP had earned 11 years of clean audit reports from the United Nations Board of Auditors. The Administrator also noted the overall positive evaluation of its pilot activities under the Direct Budget Support and Pooled Fund policy, of which UNDP would be requesting an extension of validity, given the importance of sector budget support and pooled funds to the implementation of the 2030 Agenda.

13. The Administrator expressed appreciation for partner contributions to regular resources. In this regard, she especially acknowledged those Member States that had increased contributions to regular resources, joined or re-joined those making contributions to regular resources, and committed to multi-year funding of regular resources. She also thanked contributors to the new UNDP Funding Windows. Describing UNDP efforts to diversify its resource base, she stated that overall funding flows to UNDP from international financial institutions increased by 44 per cent last year. She also made note of a new major gifts programme, which had increased UNDP visibility among new prospective partners, and the launch of the Digital Good platform for online giving, supported by the Kingdom of Saudi Arabia. Finally, she drew attention to the first direct private sector contribution to regular resources, from the Japan Innovation Network.
14. The President of the Executive Board, in paying tribute to the Administrator in her final appearance before the Board, proposed the adoption of a resolution in appreciation of the Administrator and of her tenure. Delegations paid tribute to the Administrator and commended her leadership of UNDP.
15. Delegations welcomed the overview of UNDP responses to the outcomes of recent development processes. In particular, they commended UNDP adherence to the letter and spirit of the QCPR resolution. They stressed that the QCPR resolution provides a long-term strategic guide to harmonize the work of the United Nations development system, by calling on all funds and programmes to support implementation of the 2030 Agenda and the achievement of the Sustainable Development Goals in an integrated and coordinated way. They underscored the importance of UNDP support to national development efforts and to developing national capacities to attain development objectives. Referring to the 2030 Agenda, delegations highlighted the imperative of inclusiveness and the overarching mandate to 'leave no one behind'. They urged UNDP to remain flexible and responsive to a range of country needs and contexts, including those of least developed countries, small-island developing states and middle-income countries. Delegations also affirmed the need to strengthen the Resident Coordinator system, and encouraged UNDP to lead by example to foster a collegial, collaborative dynamic among members of the United Nations development system in order to strengthen cooperation and coordination.
16. Noting that the UNDP strategic plan 2018-2021 would be the first adopted within the framework of the 2030 Agenda, delegations expressed enthusiasm for the process of developing the new plan. They urged UNDP to work with delegations in a transparent and inclusive manner to develop a plan that reflects the interests and priorities of Member States, especially in the context of supporting Member States to achieve the Sustainable Development Goals. Delegations described the global setting in which the next strategic plan would need to prove effective, particularly the repercussions of protracted security and humanitarian crises and of climate change. They exhorted UNDP to deepen its support to countries in strengthening resilience and promoting inclusive development, with a focus on poverty eradication and empowerment of the poorest and most vulnerable, including the disabled. Some delegations encouraged UNDP to find new ways of working to improve efficiency and effectiveness, deliver results and maximize impact in the countries it serves, including by coordinating the development of its strategic plan with that of the strategic plans of other funds and programmes.
17. A number of delegations focused on the preparation and submission of the different strategic plans for the funds, programmes and specialized agencies. They asked to be informed of the work and outcome of the United Nations joint working group, established to ensure a coordinated approach in the process, structure and complementarity of the different organizations' strategic plans, and requested that the organizations review and align their deadlines – with strategic options and an outline distributed to delegations at least one week prior to the scheduled workshop in March 2017. Each plan, they stressed, should include a 'chapeau' section explaining the UNGI-recommended approach and each organization's specific contribution. On a related note, some noted that the Board would function better if it

received documentation well in advance of Board sessions, as this would facilitate reflection and more constructive responses.

18. Delegations acknowledged improvement in the areas of operational transparency and results reporting. At the same time, delegations underlined the importance of further improving effectiveness, efficiency, and flexibility in responding quickly to situations at the country level. Many delegations called for stronger coordination among UN Country Teams to better deliver as one. Some delegations requested that UNDP better synchronize its reform process with those of other funds and programmes, to allow Member States to more easily monitor progress across the United Nations development system.

19. Delegations expressed concern at the diminishing proportion of regular resources to other resources, noting that current development challenges underscored the vitality of the UNDP mandate and further emphasised the importance of predictable, stable, and adequate regular resources. Delegations commended efforts to expand the UNDP resource base, including through new funding arrangements with programme countries, new financing models, and an expanded partner base, including with international financial institutions and the private sector. Delegations also expressed support for UNDP efforts to promote South-South and triangular cooperation. They encouraged UNDP to build into the new strategic plan the adaptability to respond to new financial trends and a changing partner landscape.

20. In response, the Administrator thanked delegations for their statements, and in particular for their useful comments on the upcoming UNDP strategic plan for 2018-2021. She underscored the UNDP commitment to respond to the needs of least developed countries, small-island developing states and middle-income countries. She noted the development risks imposed by climate change and violent extremism, and pledged that poverty eradication would remain at the foundation of UNDP programming. The Administrator stated that UNDP was actively working with other funds and programmes to harmonize implementation of the QCPR resolution, including by participating in the development of a common framework. She also affirmed continued strong UNDP commitment to transparency. Finally, she thanked Member States for their commitment to a well-resourced UNDP, stating that predictable funding was essential to ensuring that UNDP could respond effectively to crises. The Administrator closed her response by again thanking delegations for their warm tributes to her leadership of the organization.

21. The Executive Board adopted decision 2017/1 on expression of appreciation to Ms. Helen Clark, Administrator of the United Nations Development Programme, 2009 – 2017.

Country programmes and related matters

22. The Associate Administrator, UNDP, introduced the item. The UNDP regional directors for Latin America and the Caribbean and for Africa elaborated on the draft country programme documents for Haiti, Botswana and Chad.

23. The Executive Board reviewed and approved, in accordance with decision 2014/7, the following country programmes: Haiti (DP/DCP/HTI/3) for Latin America and the Caribbean; and Botswana (DP/DCP/BWA/2) and Chad (DP/DCP/TCD/3) for Africa.

III. Evaluation

24. The Director, Independent Evaluation Office, UNDP, introduced the item and presented the evaluation of the UNDP contribution to anti-corruption and addressing drivers of corruption (DP/2017/4). The Director, Bureau for Programme and Policy Support, UNDP, presented the management response to the evaluation of the UNDP contribution to anti-corruption and addressing drivers of corruption (DP/2017/5).

25. Board members thanked the Independent Evaluation Office for its report on the UNDP contribution to anti-corruption and addressing drivers of corruption and management for its response. Noting that the 2030 Agenda underscores the importance of combating illicit financial flows, delegations commended UNDP for undertaking leadership in this regard by integrating anticorruption measures into its programming and policies. They urged UNDP to proceed with the development of a comprehensive anticorruption strategy, and to enhance its in-house capacity to deliver better results on anticorruption initiatives. Acknowledging a dearth of available resources at the country level for dedicated anticorruption initiatives, making it difficult to mainstream anticorruption across sectors, they encouraged UNDP to be proactive in unlocking new sources of funding and in seeking synergies with other development actors, such as the World Bank and the United Nations Office on Drugs and Crime.

26. Delegations exhorted UNDP to focus its efforts where there was strong political will and national ownership of the anticorruption agenda, rather than purely on the basis of representation. They asserted that anticorruption should be central to the UNDP strategic plan 2018-2021, on the basis of Sustainable Development Goal 16, and should be a focus of UNDP work in high-risk contexts such as fragile states. Delegations also called on UNDP to ensure that gender equality and women's empowerment were adequately mainstreamed into its anticorruption work.

27. In response, the Director, Independent Evaluation Office, UNDP, affirmed that UNDP would seek opportunities to engage in more joint programming. He asserted that, although UNDP garnered high visibility for its anticorruption efforts because of its global positioning, those efforts were constrained by reductions in regular resources.

28. The Director, Bureau for Programme and Policy Support, UNDP, stated that many governments had demonstrated a willingness to combat corruption, and to work with the United Nations development system and with Member States in this regard. Noting that UNDP research indicated that open data and transparent processes were more effective than parliamentary monitoring groups and anticorruption commissions, he described UNDP work on e-governance and technological solutions, and pledged to more deeply integrate anticorruption work into broader institutional reform efforts. He provided several examples of anticorruption initiatives at the country level, citing efforts in Mexico to protect natural resources, in Panama to enhance transparency, and in Gabon to educate children on the ways in which corruption affects everyday life. Finally, he stated that approximately four per cent of UNDP regular resources were spent on anticorruption work, and noted that Member State contributions to peace-building also funded anticorruption initiatives.

29. The Director, Independent Evaluation Office, UNDP, then presented the evaluation of disability-inclusive development at UNDP (DP/2017/6). The Director, Bureau for Programme and Policy Support, UNDP, presented the management response to the evaluation of disability-inclusive development at UNDP (DP/2017/7).

30. Delegations commended UNDP contributions to the Convention on the Rights of Persons with Disabilities and its achievements thus far in supporting disability-inclusive improvements to legal and policy frameworks. They noted that UNDP was well placed to advocate for the interests of people with disabilities, and urged UNDP to use its Resident Coordinator role to promote disability-inclusive programming and policies throughout the United Nations development system. They requested that the UNDP strategic plan, 2018-2021, include clear disability-inclusive targets, goals and initiatives, together with an action plan for driving the agenda in the light of the recommendations of the evaluation. They urged UNDP to prioritize disability-inclusiveness in its own facilities and staffing, as well as to strengthen data gathering and analysis on people with disabilities.

31. The Executive Board adopted decision 2017/2 on the evaluation of the UNDP contribution to anti-corruption and addressing drivers of corruption and management response; and the evaluation of disability-inclusive development at UNDP and management response.

IV. Financial, budgetary and administrative matters

32. The Deputy Director, Bureau for Management Services, UNDP, introduced the item and presented the evaluation of the pilot activities carried out under the direct budget support policy.

33. Board members welcomed the report on the evaluation. They recognized direct budget support as among the flexible responses and tools available to UNDP in its support of the 2030 Agenda. At the same time, delegations exhorted UNDP to ensure that the primary role of direct budget support was to support national capacity and policy development, and to use the sector budget support modality only in exceptional cases based on clearly expressed demand, with clearly delineated roles for UNDP.

34. In response, the Deputy Director, Bureau for Management Services, UNDP, assured Board members that direct budget support would be used in exceptional cases only. He described the several tiers of risk mitigation and internal controls associated with direct budget support. Reiterating this position, the Directors of the Regional Bureau for Asia and the Pacific and the Regional Bureau for Africa, UNDP, both confirmed to delegations that UNDP used the modality only upon national demand to strengthen policy support, rather than to provide funds for service delivery.

35. The Executive Board adopted decision 2017/3 on the evaluation of the pilot activities carried out under the direct budget support policy.

UNFPA segment

V. Statement by the Executive Director and country programmes and related matters

36. In his statement to the Executive Board, the UNFPA Executive Director drew attention to the Fund's active engagement in implementing the 2030 Agenda for Sustainable Development and the International Conference on Population and Development (ICPD) Beyond 2014 agenda, which UNFPA was pursuing in close collaboration with other United Nations development system organizations and in line with the 2016 quadrennial comprehensive policy review of operational activities for development of the United Nations system, laid out in General Assembly resolution 71/243. He stressed that gender equality and women's empowerment would remain the top priorities in the new UNFPA strategic plan, 2018-2021, as reaffirmed at a workshop organized for Board Members on the strategic plan in December 2016. The new strategic plan, he highlighted, was built in close collaboration with all stakeholders. The Fund was also proactively contributing to the United Nations Development Group (UNDG) strategic planning working group to collectively align and interconnect the United Nations development system organizations' strategic plans with the 2030 Agenda, the Sustainable Development Goals and the quadrennial review.

37. The Executive Director affirmed that the UNFPA strategic plan, 2018-2021 would strongly position the Fund within the 2030 Agenda, and focus on delivering transformative results, informed by a robust evidence base and guided by the 'bull's eye', in response to global development and humanitarian situations. While much progress had been made, especially in boosting maternal health, the Fund continued to face challenges, notably funding constraints, an uncertain political environment, historic levels of displacement, exacerbated humanitarian needs, and pushback on sexual and reproductive health and reproductive rights and gender

equality. To ensure UNFPA was able to achieve its mandate, he called on Board members to honour their funding commitments to the Fund and to step up funding to regular (core) resources, if possible, especially to offset the Fund's recent and ongoing austerity measures.

38. The Fund, the Executive Director noted, continued to explore ways to reduce costs and improve efficiency by cost mapping, freezing vacancies, streamlining processes and freeing up staff capacity and resources. Those efforts included tweaking the business model to address changes in global and local environments, and taking a differentiated approach more suitable to country needs. Similarly, UNFPA was adapting its financing and funding strategies in the new plan to meet evolving financial constraints and opportunities, while expanding the donor base and building further on South-South and triangular cooperation opportunities. That included concerted efforts to mobilize alternative resources, hand in hand with better organizational effectiveness, efficiency and delivery.

39. On the humanitarian front, an area where Board members urged UNFPA to play an ever growing role, the Executive Director drew attention to the Fund's sexual and reproductive health and reproductive rights services, including gender-based violence, in crisis and conflict countries, from Afghanistan to Mali and from the Central African Republic to the Syrian Arab Republic. Those efforts had brought enormous relief to millions of women, girls, adolescents and youth, fostering a smoother transition from crisis to development.

40. Turning to data, the Executive Director highlighted that UNFPA, as one of many United Nations development system organizations engaged in that field, had a unique role in supporting data systems in the area of population data and sexual and reproductive health data, often in partnership with a range of data networks, and building on 40 years of support to national censuses. Similarly, the Fund had a special role to play in helping countries capitalize on the demographic dividend through advocacy, engagement and family planning, as exemplified at the 28th African Union Summit in Addis Ababa in January 2017. The Fund's work in that area was vital to realizing the transformative promise of the 2030 Agenda, especially its impact on adolescent girls, by providing safe spaces, mentoring, literacy and life skills classes, comprehensive sexuality education and sexual and reproductive health services. The Executive Director appealed to Board members to ensure the Fund's crucial role in helping girls everywhere to go and stay in school; to be free from child marriage, teenage pregnancy and violence; to know and exercise their rights; and to realize their full potential and help to make a better world.

41. Board members highlighted the importance of 2017 for UNFPA as it finalized its new strategic plan, 2018-2021, which, they stressed, should reinforce its mandate under ICPD and Agenda 2030. They expressed continued strong support for UNFPA work in crisis and non-crisis countries. They welcomed the Fund's focus on family planning, the demographic dividend, rapid humanitarian response and resilience building, and data for development work, as per ICPD principles, the 2030 Agenda and the 2016 quadrennial review. The Fund's mandate, they emphasized, was crucial to achievement of the Sustainable Development Goals, while the quadrennial review provided an excellent framework for United Nations development system coherence, a necessary component for the success of the UNFPA mandate.

42. Delegations strongly supported the Fund's human rights-based approach and focus on the most vulnerable, especially adolescent girls and youth. Despite progress in maternal health and notable reductions in maternal mortality, there was a call for the Fund to step up its efforts in that area. Other delegations called on UNFPA to continue to pursue efforts to eradicate female genital mutilation/cutting. Still others stated that slow movement of United Nations reform efforts would negatively affect 2030 Agenda implementation and the Fund's ability to deliver results, especially in protracted conflict and crisis settings. They encouraged UNFPA and the United Nations development system to pursue the coherence agenda laid out and reiterated in the quadrennial review, and looked forward to discussing how the recommendations of the Secretary-General on the quadrennial review could further advance that agenda. A number of

delegations noted that the new strategic plan, 2018-2021 should reflect both quadrennial review principles on coherence and the related recommendations of the Secretary-General. They also underscored the importance, both for the Fund and United Nations development system organizations overall, of accountability, transparency, value for money, common services, efficiency and stronger monitoring and evaluation. They commended UNFPA for its impressive humanitarian response and its invaluable work bridging the humanitarian-development divide, and they encouraged the Fund to follow the agreements reached at the World Humanitarian Summit in line with the 'Grand Bargain'.

43. The large majority of delegations expressed concern with the continued trend of declining core resources, which, they noted, had to be stable and predictable in order for UNFPA to fulfil its mandate. Similarly, there was concern over reductions at the regional level owing to the difficult financial situation. Across the Board, delegations encouraged each other to step up their contributions, stressing that a strong base of regular resources remained the priority. At the same time, they recommend that the Fund make every effort to explore broader funding sources and new partnerships, including with the private sector and through domestic financing. The continued decline in core funding, delegations noted, meant that inter-agency coherence was more important than ever. Delegations commended UNFPA for its inter-agency engagement, promotion of its comparative advantages and adaptability. In addition, two delegations announced they were sponsoring a new global fund-raising initiative called 'She Decides', which included a platform that allowed for private-sector contributions.

44. Member States welcomed the Fund's work in data for development. They viewed data analysis and sharing, and the disaggregation of data, as key ways to build partnerships and political will and to allow UNFPA to target and assist the most vulnerable, 'leaving no one behind'. The Fund's data work on demographic trends and population issues, including their effect on climate change and human rights, were likewise commended as crucial. Delegations considered the Fund's data analysis work vital for UNFPA to tailor its assistance to different country conditions and settings. Data and evidence, they noted, should inform its new strategic plan, 2018-2021, its approach to resource mobilization, and its work to forge targeted results and ensure greater efficiency and effectiveness. They stressed the importance of integrating monitoring and evaluation into all aspects of the plan, so that they fed back into planning and programming.

45. Several delegations drew attention to the benefits and drawbacks of multi-country offices and programmes. They noted that countries in regions with UNFPA multi-country offices (Asia and the Pacific and Latin America and the Caribbean), many of which were middle-income countries and small-island developing States, were particularly susceptible to external shocks. Those regions and countries, they said, required a differentiated approach adapted to their special needs. Delegations were concerned that declining core funding would set back hard-won development gains in the regions and force the Fund to reduce staffing and services. Some expressed concern that the proposed tweaking of the business model might negatively affect middle-income countries and small-island developing States, an issue they hoped the strategic plan, 2018-2021, would address. Others drew attention to the importance of UNFPA work in the least developed countries and in implementing the Istanbul Programme of Action, especially in building local capacity for sexual and reproductive health services.

46. A number of delegations focused on the preparation and submission of the different strategic plans for the funds, programmes and specialized agencies. They asked to be informed of the work and outcome of the United Nations joint working group, established to ensure a coordinated approach in the process, structure and complementarity of the different organizations' strategic plans, and requested that the organizations review and align their deadlines – with strategic options and an outline distributed to delegations at least one week prior to the scheduled workshop in March 2017. Each plan, they stressed, should include a 'chapeau' section explaining the UNDG-recommended approach and each organization's

specific contribution. On a related note, some noted that the Board would function better if it received documentation well in advance of Board sessions, as this would facilitate reflection and more constructive responses.

47. In response, the Executive Director thanked delegations for their strong support to the Fund's mandate, both politically and financially. He assured them that UNFPA would make sure to reflect their comments and recommendations in the new strategic plan, 2018-2021. UNFPA would continue to play an active role in the United Nations joint working group, he said, not only to align the strategic plans of the various organizations but also to ensure coordinated delivery at country level, to maximize resources and assistance to Governments in achieving the 2030 Agenda. He assured Board members that UNFPA would continue unwaveringly its work on adolescents and girls, particularly in humanitarian settings, buttressed by a strong gender focus and its human rights-based approach. He highlighted that the ICPD specified that the Fund's mandate and all aspects of its work, including the 'bull's eye', were unequivocally grounded in human rights, which also included gender equality and women's empowerment. He reassured the Board that humanitarian considerations would be mainstreamed into all elements of the strategic plan, 2018-2021, covering both conflict and climate issues, and focusing on especially vulnerable regions and countries, such as small island developing States. He stressed that the Fund's data work, including training in its collection and use, was key in those efforts, as it informed policy and helped to ensure the best results. Affirming that UNFPA would continue to lead on sexual and reproductive health and reproductive rights as well as family planning, he noted that the new strategic plan, 2018-2021, was the first in a series of three strategic plans that would guide the Fund's work throughout the 2030 Agenda. Universal access to sexual and reproductive health, reproductive rights and family planning would be a central focus in all three upcoming strategic plans, both in policy and in implementation, especially for the most vulnerable and marginalized. UNFPA, he pointed out, was an active partner in the movement, launched at the 28th African Union Summit in Addis Ababa, to reinvigorate Family Planning 2020. He stressed the importance of family planning as a central element of the Fund's mandate, with positive repercussions in all other aspects of its work, including achievement of the demographic dividend, covering both youth and the aged. Noting that UNFPA was actively engaged in United Nations development system coordination and alignment with the quadrennial review, he emphasized that, in order to achieve its mandate, UNFPA needed the political support of the Board as well as strong financial backing, especially in funding its core resources. He called on the Board to guarantee that human rights remained indivisible – because one could not exist without the other. Data systems, he noted, were a crucial factor in that fight – to empower individuals, evaluate results and guide investments. UNFPA would continue to engage closely with Board members in all those areas.

Country programmes and related matters

48. The UNFPA Deputy Executive Director (Programme) introduced the item. The UNFPA regional directors for the Arab States, East and Southern Africa, and Latin America and the Caribbean presented the country programmes for Botswana and Haiti, as well as the second one-year extension of the country programme for Somalia.

49. The Executive Board reviewed and approved, in accordance with its decision 2014/7, the country programmes documents for Botswana (DP/FPA/CPD/BWA/6) and Haiti (DP/FPA/CPD/HTI/6).

50. The Executive Board approved the second one-year extension of the country programme for Somalia (DP/FPA/2017/3).

VI. Evaluation

51. The Director, UNFPA Evaluation Office, presented the thematic evaluation of UNFPA support to adolescents and youth, 2008-2015 (DP/FPA/2017/CRP.1), followed by the management response presented by the UNFPA Deputy Executive Director (Programme).

52. Delegations, in a joint statement, welcomed the timely evaluation of UNFPA support to adolescents and youth, 2008-2015, as well as the management response, and commended the hard work of the Evaluation Office, the team of evaluators from the Swiss Tropical and Public Health Institute and the evaluation reference group, all of whom, they noted, had ensured the robustness of the evaluation. Underscoring the importance of assisting adolescents and youth, who often faced social and political barriers to realizing their full potential, the delegations stressed that UNFPA had to remain at the forefront in addressing the needs of adolescents and youth, especially with regard to sexual and reproductive health, given the Fund's distinct comparative advantage, as pointed out in the evaluation. They concurred with the evaluation recommendation that UNFPA should focus on its mandate and added value, so that it continued to lead on the broader agenda for adolescents and youth, especially within the 2030 Agenda framework. They commended the Fund for consistently incorporating human rights aspects, gender responses and culturally sensitive approaches into adolescents and youth programming at all levels. They encouraged UNFPA management to continue to build on its strong record of achievement in supporting adolescents and youth on the development of the new strategic plan, 2018-2021.

53. The delegations recognized the evaluation's recommendation for UNFPA to strengthen its strategic clarity and coordination of its support to adolescents and youth and to coordinate more closely with other United Nations development system organizations to prevent, resolve and respond to the needs of adolescents and youth. They stressed that all organizations should remain focused on shared goals and comparative advantages while engaging more actively with national and key health and protection system stakeholders. They also supported the greater integration of adolescent girl programming. Targeted adolescent girl programming, they noted, had to be a central element in the new strategic plan, 2018-2021. Stepping up efforts in that area required deepening gender-sensitive responsive tools and indicators, and engaging men and boys to advance gender equality. They further concurred with the evaluation's recommendation that the strategic plan had to target the most marginalized adolescents and youth through stronger analysis and use of data, and agreed that UNFPA should develop clear operational definitions of 'marginalized' and 'vulnerable' groups – a move, they stressed, that would help to better target that group in future planning and programming. Finally, they stressed that the Fund should pursue meaningful engagement with adolescents and youth at all levels of programming, and encouraged UNFPA to work closely with young people and other stakeholders through greater investments in local knowledge and capacity. Empowering women and girls to their full potential for leadership was key to that endeavour.

54. The delegations welcomed the management response, noting that it adequately addressed the concerns raised while outlining satisfactory next steps. Pointing to progress to date, delegations were pleased to note that UNFPA had already begun to address many of the evaluation's recommendations. They were pleased to see that management was receptive to the recommendation that UNFPA should continue to coordinate and deliver multisectoral, holistic support for adolescents and youth while ensuring the centrality of the needs of the adolescent girl.

55. In response, the Director, UNFPA Evaluation Office, welcomed the reflections on the evaluation and how the recommendations should be incorporated in the UNFPA strategic planning process. She thanked management for its thorough and comprehensive response to the evaluation, and urged both the Board and UNFPA management to follow up on the evaluation's recommendations in subsequent years.

56. The UNFPA Deputy Executive Director (Programme) stressed the importance of greater coordination and in maximizing United Nations organizations' comparative advantages, as well as the need for specific intergenerational indicators on adolescent girls that were gender sensitive and included men and boys. She agreed with the need to define terms such as 'marginalized' and 'vulnerable', and welcomed the Board's positive comments on the Fund's continued leadership role in the area of adolescents and youth.

57. The Executive Board adopted decision 2017/4 on the thematic evaluation of UNFPA support to adolescents and youth, 2008-2015.

58. The Executive Board Bureau decided to withdraw the draft decision on the thematic evaluation of UNFPA support to family planning, 2008-2013 (DP/FPA/2016/CRP.5). In that regard, two delegations, highlighting the importance of oversight and guidance based on independent evaluations, expressed regret that the Board was unable to reach consensus on the draft decision on the thematic evaluation, which had already been deferred from the second regular session 2016. They noted that the draft decision was a highly crafted compromise text that had undergone extensive consultations and received broad Board support. They trusted that UNFPA management had taken note of that support and would implement the evaluation's recommendations, keeping the Board informed of its follow-up in the elaboration of the next strategic plan, 2018-2021.

UNOPS segment

VII. Statement by the Executive Director

59. In her opening address to the Board (available on the UNOPS website), the Executive Director, UNOPS, welcomed the arrival of the new Secretary-General and Deputy Secretary-General. She stated that UNOPS would coordinate with their offices as it prepared its new strategic plan, which would be fully aligned with the 2030 Agenda. She described UNOPS as a distinctive self-financed UN entity, able to deploy personnel and resources with unparalleled speed to respond to crises. In this regard, she provided several examples of UNOPS contributions to peace and security. She spoke of UNOPS support to the High-level Standby Mediation Team of the Department of Political Affairs, which had made about 100 deployments in 2016, some within as few as 16 hours from the time of request. During the Ebola epidemic, UNOPS had mobilized a team of experts within 12 days with the support of the Bill and Melinda Gates Foundation. In Mali, UNOPS procured 18 million in equipment for the UN Mine Action Gateway within two weeks; in Nepal, it engaged and equipped 2,500 housing surveyors within 16 days of the earthquake. Noting that procurement accounted for half of UNOPS delivery, the Executive Director stated that although UNOPS in 2016 had been named a gold standard bearer by the Chartered Institute of Procurement and Supply, it sought to further improve collaboration, efficiency and sustainability in its procurement practices, as called for in the QCPR resolution.

60. Stating that around 4.5 trillion in infrastructure investments would be needed each year for the next 15 years in order to achieve the Sustainable Development Goals, the Executive Director described the UNOPS seed capital investment facility, designed to attract capital from companies, organizations and funds for impact investing. She described infrastructure projects in Sierra Leone and St. Lucia that could attract private investment. Turning to organizational improvements, she described measures to strengthen risk management and internal controls, including through a new governance, risk and compliance platform to improve internal decision-making.

61. Board members commended UNOPS for its modern, innovative approaches to sustainable procurement and project implementation and management, grounded in the principles of sustainable development as laid out in the Agenda 2030. They praised the UNOPS commitment

to rapid service, and to keeping costs low and services accessible to Member States across the range of country contexts, including least developed countries, small-island developing states, and fragile or conflict-affected states. Delegations encouraged UNOPS to develop its new strategic plan in an open and collaborative way, and to continue to strengthen risk management and internal controls. Some delegations expressed surprise at the low levels of reported fraud.

62. In response, the Executive Director, UNOPS, welcomed Board members' continued strong support for its work in fragile and conflict-affected states. She assured delegations of the robustness of UNOPS anti-fraud mechanisms.

Joint segment

VIII. Recommendations of the Board of Auditors

63. The Director, Bureau for Management Services, UNDP, introduced the report of UNDP and the United Nations Capital Development Fund (UNCDF) on the implementation of the recommendations of the Board of Auditors for 2015 (DP/2017/11). The Deputy Executive Director (Management), UNFPA, introduced the report of the Executive Director, follow-up to the report of the United Nations Board of Auditors for 2015, status of implementation of the recommendations (DP/FPA/2017/1). The Deputy Executive Director, UNOPS, introduced the report of UNOPS on the status of the implementation of the recommendations of the Board of Auditors for 2015 (DP/OPS/2017/1).

64. Board members commended the unqualified audit opinions for UNDP, UNCDF, UNFPA and UNOPS, and welcomed the progress made overall by all four organizations in the implementation of the recommendations of the Board of Auditors.

UNDP

65. Delegations, while commending UNDP on an unqualified audit opinion, expressed concern that only half of the top priorities had been implemented. They noted that UNDP had reported 16 cases of fraud or possible fraud to the Board. They queried whether this was due to an increase in fraud or to improved capacity to report fraud. Delegations also suggested making audit reports management response more useful by more fully reflecting the recommendations of the Board of Auditors and describing in greater detail how UNDP intended to address them, especially with respect to recurring issues. They further recommended including a summary of oversight mechanisms showing how implementation would be monitored.

66. Delegations welcomed proposed actions to address lapses in procurement management, including the decision to move high-risk, high-volume procurement to regional hubs and global shared service centres. Nonetheless, they requested an update on how UNDP intended to address the underlying issues that had led to the lapses in the first place. Delegations also requested further information on plans and progress toward risk-based oversight of country offices.

67. In response, the Director, Bureau for Management Services, UNDP, welcomed suggestions on how to make the audit report management response more useful. On the issue of fraud reporting, while it could not be confirmed whether the increase in fraud reporting reflected an increase in scrutiny or an increase in fraud, he reported that UNDP was now scrutinizing transactions more closely. In addition, he reported that UNDP had a broad anti-fraud strategy, as well as targeted improvements to business practices designed to bolster transparency. Finally, he acknowledged that there remained room for improvement in project management, in particular with respect to the closing of projects. He pledged that UNDP would make more active use of the revised evaluation policy to tighten feedback loops on substantive assessments of the effectiveness of its projects.

UNFPA

68. Delegations welcomed UNFPA progress in implementing Board of Auditors' recommendations since 2016. They were pleased with the unqualified audit opinion for UNFPA financial statements for 2015, and noted the Board of Auditors' positive comments on the overall financial situation. They were concerned, however, with the decline in core funding, and sought clarity on the Fund's actions to diversify sources of funding. Given UNFPA exposure to risks in complex operating environments, the delegations were pleased to see progress in the Fund's efforts to establish and roll out its enterprise risk management framework. They welcomed the Board of Auditors' recommendations on the need to develop a global risk mitigation strategy for all UNFPA operations, along with country-specific risk and response strategies. They were pleased with the Fund's ongoing efforts to manage risk at the local level, but encouraged further work, concurring with the recommendation that country offices should document risk assessment processes and set up comprehensive risk assessment plans, while building staff capacity. They encouraged UNFPA to engage with United Nations Development Group (UNDG) partners to maximize cooperation in that area.

69. The delegations supported the Board of Auditors' recommendation that the Fund continue to build the capacity of implementing partners in order to better assess results and carry out quality assurance to address weaknesses. They endorsed the recommendation on results-based management, noting it would improve UNFPA ability to measure and monitor indicators. They encouraged the Fund to work with country team members facing similar challenges.

70. Delegations fully supported the Board of Auditors' recommendation to document the process of determining support cost rates, especially in light of restricted resources. They welcomed the recommendation to strengthen procurement procedures and minimize risk, and encouraged the Fund to collaborate closely with United Nations development system organizations to improve common services in that area, which would help the Fund to maximize efficiency gains. They sought information on the new UNFPA shipment tracker system, and encouraged the Fund to strive to maximize value for money in all areas of operation. They asked UNFPA to clarify how declining core and increased earmarked contributions had affected its business model, and how risks were being mitigated. They also inquired how the Fund managed its short-term assets and exchange rate risks and fluctuations. Finally, they asked the Fund to elaborate on how the changing financial situation affected the status of implementation of Board of Auditors' recommendations.

71. In response, UNFPA Deputy Executive Director (Management) stated that, in 2016, UNFPA had focused on the recurrent issues highlighted by the Board of Auditors, often also raised by donors and others. It was important for UNFPA to look at them holistically, following a tight process of identification, analysis and associated action plans. She noted that the Fund closely monitored discussions on core funding, through a thorough cost mapping, adjusting its operations to tally with the availability of core funds. Likewise, as part of austerity measures, UNFPA closely monitored travel, consultancies, training and other items in order to ensure that activities have value for money, are needs driven, and have a specific purpose and outcome. The business model, she noted, would be best discussed as part of the Fund's work to develop its new strategic plan, 2018-2021.

72. The Director, Division for Management Services, UNFPA, highlighted that the Fund was in the second year of its enterprise risk management cycle for 2015-2016. In the first stage, 138 business units were required to perform a full risk assessment, which was much improved from the first year, and had to include justifications for inherent and residual risks; in the event of high risk, an action plan had to be adjoined. In the second stage, set to begin in November 2017, UNFPA would undertake a review of those high risks through a risk treatment working group, which comprised mostly specialists who reviewed all critical areas, distinguishing between local and corporate. He noted that UNFPA business units honed in on 11 strategic risks as well as

fraud in the areas such as, as part of a wider strategy on fraud. He also stated that UNFPA was in the final stages of revising the new fraud policy, which was scheduled to be approved in the first quarter 2017. That approval would be followed by an extensive training package for UNFPA staff as well as implementing partners. On a related issue, highlighting that almost 30 per cent of UNFPA expenditures went through national execution, he noted the Fund had fully adopted the harmonized approach to cash transfers modality in 2016. UNFPA had been conducting annual financial management reviews of the majority of implementing partners' expenses by an independent audit firm; the Fund would continue to undertake those reviews in addition to spot checks under the harmonized approach to cash transfers modality. He noted that UNFPA had begun using an inventory shipment tracker as part of its enterprise resources management, and added that for currency management and other financial issues, the Fund continued to use UNDP services, on which the two organizations collaborated closely through regular meetings.

73. The Executive Board adopted decision 2017.5 on the reports of UNDP, UNFPA and UNOPS on the implementation of the recommendations of the Board of Auditors for 2015.

IX. Follow-up to the UNAIDS Programme Coordinating Board meeting

74. The Director, Bureau for Programme and Policy Support, UNDP, and the UNFPA Deputy Executive Director (Programme) presented the report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS (UNAIDS) (DP/2017/12; DP/FPA/2017/2), which was followed by a statement by the UNAIDS Deputy Executive Director.

75. Delegations welcomed the report and the results achieved. They encouraged UNDP and UNFPA to report systematically on progress and results, and, in doing so, to indicate how they were linked to their respective results frameworks. In particular, they wanted to see better reporting to the UNAIDS Programming Coordinating Board on attributable results delivered with core UNAIDS funding – especially since co-sponsor transparency and accountability had been recurring themes in Programming Coordinating Board meetings. They stressed UNAIDS should facilitate coordination and synergies between different co-sponsors, as part of its core mandate to unite the United Nations development system in the global fight against HIV and AIDS. UNAIDS, UNFPA and UNDP, they emphasized, should coordinate their activities in accordance with their mandates and agreed division of labour, particularly in sexual and reproductive health, comprehensive sexuality education, outreach to adolescents and youth, and human rights programming. The delegations encouraged UNFPA and UNDP to mainstream HIV/AIDS in their new strategic plans in order to support the delivery of the UNAIDS strategy, 2016–2021, and to find solutions to the difficult financial situation of UNAIDS.

76. Another delegation expressed strong support for grounding UNAIDS work in human rights principles, and underscored its strong track record as a United Nations coordinator in the fight against HIV and AIDS. However, adequate resources were essential to its success and to the continued fight against HIV/AIDS, and a reduction in core resources was therefore worrisome, and could imperil efforts to end the disease. UNAIDS co-sponsors should not depend on the UNAIDS unified budget, results and accountability framework, known as UHRAF, for financial support, but also include HIV/AIDS-related work within their own budgets. In closing, the delegation welcomed the panel co-convened by the UNDP Administrator, as chair of the United Nations Development Group, and the UNAIDS Executive Director, and looked forward to a stronger, more sustainable Programming Coordinating Board business model at its next formal meeting in September 2017.

77. In response, the UNFPA Deputy Executive Director (Programme) recognized delegations' requests for greater clarity in joint reporting, transparency and accountability, and in

maintaining a human rights based approach. She noted that UNFPA had reported in detail on its UNAIDS joint programme monitoring system and sought to link UBRAF-relevant outputs and indicators in its internal strategic information system. As it reassessed reporting for its forthcoming strategic plan, 2018-2021, the Fund, she assured, would heed delegations' suggestions. She highlighted that UNFPA was mainstreaming HIV and AIDS in its new strategic plan in an integrated way across all outcome areas, especially on adolescents and youth – the target group for the joint UNDP-UNFPA programme called 'All In'. She also noted that UNFPA humanitarian funding included a leveraging component to prevent HIV and sexually transmittable infections. UNFPA, she affirmed, recognized the need to step up resource mobilization while pursuing complementarity among co-sponsors, which UBRAF was meant to catalyse. She stressed that success stories demonstrated that integration projects across countries and regions, such as the triple condom approach, were part of the way forward, and UNFPA was actively seeking to reinvigorate its approach to HIV/AIDS as part of the 2030 Agenda.

78. The Director, Bureau for Programme and Policy Support, UNDP, also recognized the need for more systematic reporting on the UNDP results framework, which the series of new, much more integrated, strategic plans leading up to 2030 would reflect. He noted that, with results being positive overall, the organizations had everything to gain from perfecting more systematic reporting. He recognized that the issues at hand were critical and the division of labour was crucial to focusing on key populations, a risky and difficult area of work, which was why Board political and financial support were so important. He stressed that United Nations development system organizations worked well together in fighting the HIV/AIDS epidemic, thanks in large part to UNAIDS and the clear division of labour among co-sponsors, among whom complementarity was the norm and overlaps were few and far between.

79. The Deputy Executive Director, UNAIDS, underscored the crucial importance of maintaining political and financial support for the joint programme, which, she stressed, could end the epidemic by 2030 through its ongoing fast-track approach and continued solidarity and commitment among partners. She stressed that the epidemic affected the most vulnerable in society and ending HIV/AIDS was crucial to achieving the 2030 Agenda. UNAIDS was committed to working with its partners to devise a sustainable and strengthened operating model, which it would present at the next Programming Coordinating Board meeting in September 2017, and most importantly to delivering results at country level.

80. The Executive Board took note of the report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS (UNAIDS) (DP/2017/12 DP/FPA/2017/2).

X. Other matters

UNFPA special event: data systems within the framework of the Sustainable Development Goals

81. UNFPA organized the special event as a platform to stimulate discussion on the current challenges and opportunities related to strengthening national data systems for the implementation, follow-up and review of the 2030 Agenda. The event featured three separate presentations by panel members and specialists on current initiatives in Afghanistan, Uganda and El Salvador that offered a country-level perspective on the challenges and success stories countries face at the onset of the implementation of the 2030 Agenda. They included: (a) Afghanistan: transforming official statistics to support the implementation of the Sustainable Development Goals; using the 'big data' of satellite imagery for census in Afghanistan; (b) Uganda: strengthening data for development systems for monitoring and implementing the sustainable development agenda; and (c) El Salvador: mapping teenage pregnancy using administrative records. The aim of the event was threefold: (a) create a common understanding of areas with the greatest need for better data collection, processing and analysis, and mobilize

stakeholders through the display of successful projects; (b) highlight innovations of data collection and analysis, especially in crisis settings and when there was no large movements of people; and (c) demonstrate the value of subnational population data to advance the programmatic response of Governments to core needs of women and girls. The event was chaired by the President of the Board and moderated by the UNFPA Executive Director.

Decisions on the UNDP and UNFPA strategic plans

82. The Executive Board adopted decision 2017/6 on elaboration of the UNDP strategic plan, 2018-2021.

83. The Executive Board adopted decision 2017/7 on elaboration of the UNFPA strategic plan, 2018-2021.

84.



**Executive Board of the
United Nations Development
Programme, the United Nations
Population Fund and the
United Nations Office for
Project Services**

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Item 1 of the provisional agenda

Organizational matters

Decisions adopted by the Executive Board at its first regular session 2017

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(30 January to 3 February 2017, New York)**

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2017/1

Expression of appreciation to Ms. Helen Clark, Administrator of the United Nations Development Programme, 2009 - 2017

The Executive Board

Noting with regret that Helen Clark will depart from her position as Administrator of the United Nations Development Programme, effective 19 April 2017,

Recognizing that Ms. Helen Clark has been a champion of development and institutional reform at UNDP since assuming the position of Administrator in 2009,

Acknowledging that her appointment at UNDP coincided with a sharp increase in volatility around the world in many areas, including the downturn in the global economy, increasing extreme weather events and disasters and refugee/migration challenges,

Recognizing Ms. Helen Clark's work to refocus and reform UNDP to make it a more modern organization able to meet these new challenges and thrive in a changing world,

Also recognizing Ms. Helen Clark's leadership to make UNDP the most transparent aid organization in the world and to make it a leaner, more focused and more efficient organization,

Acknowledging the work of Ms. Helen Clark to refocus UNDP under one vision: to help countries achieve the simultaneous eradication of poverty and significant reduction of inequalities and exclusion,

Also acknowledging her work to provide the organization with the tools it needs to confront future challenges and to forge wide-ranging partnerships,

Further acknowledging the tireless drive of Ms. Helen Clark in the critical work of UNDP towards poverty eradication, as well as the progress made by UNDP in its crucial work on building countries' resilience to climate change, conflict and other crises so that sustainable development gains could be secured,

Recognizing with deep appreciation that Ms. Helen Clark made the 2030 Agenda for Sustainable Development and the Sustainable Development Goals the focus of UNDP programmes,

Acknowledging the efforts made by Ms. Helen Clark to advocate on behalf of the poor and vulnerable, particularly women, people living with HIV/AIDs and migrants and refugees,

Recognizing the commitment, dedication and leadership shown by Ms. Helen Clark in ensuring a strengthened, effective and efficient role for UNDP in the United Nations system and in strengthening the role of UNDP, particularly at the country level,

1. *Commends* Helen Clark for her effective management of the United Nations Development Programme from 2009 to 2017;

2. *Expresses* its sincere gratitude to Helen Clark for her outstanding leadership of UNDP in its contributions to four major conferences in 2015: the Third United Nations World Conference on Disaster Risk Reduction, in Sendai, Japan; the Third International Conference on Financing for Development, in Addis Ababa, Ethiopia; the United Nations summit for the adoption of the post-2015 development agenda, in New York; and the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, in Paris, France;

3. *Extends* its warmest good wishes to Helen Clark for success in her future endeavours.

3 February 2017

2017/2

UNDP Evaluation*The Executive Board*

With regard to the evaluation of the UNDP contribution to anti-corruption and addressing drivers of corruption (DP/2017/4) and the management response thereto (DP/2017/5):

1. *Takes note* of the evaluation, and acknowledges its conclusion that UNDP has made a positive contribution to national efforts to reduce corruption and address the drivers of corruption in countries where UNDP is engaged in this issue;
2. *Encourages* UNDP to address corruption risks to development as recommended in the evaluation;
3. *Requests* UNDP to take the evaluation recommendations into account in the next strategic plan and future programming, including at country level, where relevant;
4. *Encourages* UNDP to continue to strengthen national ownership and leadership on anti-corruption;

With regard to the evaluation of disability-inclusive development at UNDP (DP/2017/6) and the management response thereto (DP/2017/7):

5. *Takes note* of the evaluation, acknowledging its conclusions and recommendations and the management response from UNDP;
6. *Takes note* of the finding that UNDP is well positioned to play a prominent role in supporting countries in implementation of the Convention on the Rights of Persons with Disabilities;
7. *Encourages* UNDP to ensure that in its next strategic plan, support to countries on the disability aspects of development is given greater prominence, and that UNDP work in support of the 2030 Agenda for Sustainable Development recognizes the disability aspects of the Sustainable Development Goals;
8. *Underscores* the importance of incorporating reference to disability in the forthcoming updating of UNDP corporate strategies, in particular the gender equality strategy;
9. *Urges* UNDP to assess which of its facilities are not yet accessible to persons with disabilities and to take steps to adapt as many of them as possible, and to make a concerted effort to employ more persons with disabilities, in accordance with article 27 of the Convention on the Rights of Persons with Disabilities;
10. *Underscores* the importance of effective follow-up to the evaluation recommendations and requests UNDP to take them into account in future programming;

3 February 2017

2017/3

Evaluation of the pilot activities carried out under the UNDP direct budget support policy*The Executive Board*

1. *Takes note of the key evaluation findings from the two pilot projects in Burkina Faso and Nepal, as summarized in document DP/2017/10 ;*
2. *Recognizes that a primary role of UNDP in sector budget support should be to support national capacity-building and policy development;*
3. *Takes note of the current and anticipated demand for UNDP engagement in sector budget support in the context of the 2030 Agenda for Sustainable Development, and emphasizes that such engagement should be on an a limited basis and be based on a clearly expressed demand from the programme country;*
4. *Recalls Executive Board decision 2015/1, and encourages UNDP to continue to ensure that the specific fiduciary risks associated with these modalities are assessed, existing safeguards continue to be applied and improved on, and monitoring and audit processes are undertaken on a timely basis;*
5. *Recommends continuation of this funding mechanism as part of the options available to UNDP, on the basis of lessons learned from the evaluations noted in paragraph 1 above and relevant audits to date, subject to regular review by the Executive Board.*

3 February 2017

2017/4

Thematic evaluation on UNFPA support to adolescents and youth (2008-2015)

The Executive Board

1. *Takes note of the thematic evaluation on UNFPA support to adolescents and youth, 2008-2015 (DP/FPA/2017/CRP.1) and the management response (DP/FPA/2017/CRP.2);*
2. *Requests UNFPA to take into account the recommendations of the evaluation in its strategic and operational response, and to include an update on progress at the annual session of 2018.*

3 February 2017

2017/5

Reports of UNDP, UNFPA and UNOPS on the implementation of the recommendations of the Board of Auditors for 2015

The Executive Board

1. *Recognizes the high-risk environments in which UNDP, UNFPA and UNOPS as well as their implementing partners operate, and requests the entities to continue to strengthen measures to prevent, detect and respond to fraud.*

With regard to UNDP:

2. *Takes note of the report (DP/2017/11) on the actions taken by UNDP and the United Nations Capital Development Fund (UNCDF) and the further actions planned to implement the recommendations of the Board of Auditors for the financial period that ended on 31 December 2015, as well as recommendations from prior years;*
3. *Notes the 2015 unqualified audit opinions issued by the United Nations Board of Auditors for both UNDP UNCDF;*

4. *Takes note* of the progress made by UNDP in the final evaluation of the top eight audit-related priorities in 2014–2015;

5. *Supports* the ongoing efforts of UNDP management in addressing the revised top seven audit-related management priorities for the 2016–2017 biennium and in implementing the recommendations of the Board of Auditors for the year ended 31 December 2015;

6. *Encourages* UNDP to continue to strengthen programme management, oversight and reporting, including by improving programme quality and active risk management, in particular at country level, and to monitor the effectiveness of measures taken in that regard;

7. *Further encourages* UNDP to continue its efforts to enhance oversight and management of implementing partners, including ensuring compliance with UNDP policies and procedures, and assurance requirements, and urges UNDP to closely monitor implementation of the revised harmonized approach to cash transfers framework;

8. *Encourages* the continued efforts of UNDP to uncover and prevent procurement irregularities and other fraudulent practices and improve actions for recovery of funds, and underscores the importance of protecting whistle-blowers and ensuring that whistle-blower protections are both robust and well known to all staff members;

With regard to UNFPA:

9. *Takes note* of the report (DP/FPA/2017/1) on the actions taken by UNFPA and the new measures planned by the organization for timely implementation of the recommendations of the Board of Auditors for the financial period that ended on 31 December 2015;

10. *Notes* the 2015 unqualified audit opinion issued by the Board of Auditors;

11. *Encourages* UNFPA to continue improving its internal control systems, especially with regard to risk management, including the need to develop risk mitigation strategies globally and at country level;

With regard to UNOPS:

12. *Takes note* of the report (DP/OPS/2017/1) on the progress in the implementation of the various recommendations made for the year ended 31 December 2015 and the efforts currently in progress to ensure that the remaining recommendations are successfully implemented;

13. *Notes* the overall conclusion of the Board of Auditors that UNOPS has increased value of project implementation at an average of 14 per cent per year since 2012, despite the challenging environment in which it operates, and encourages UNOPS to continue to enhance its risk and compliance framework, including analysing and managing the risk exposure of projects;

14. *Acknowledges* that because the recommendations were issued to UNOPS towards the end of July 2016 and because many of them require long-term attention, UNOPS will need to work beyond the financial year 2016 to implement them successfully.

3 February 2017

2017/6

Elaboration of the UNDP strategic plan, 2018-2021

The Executive Board

1. *Welcomes* the preparatory work done and the various informal meetings with the Executive Board on the process of elaboration of the UNDP strategic plan, 2018-2021;
2. *Requests* UNDP to engage constructively with UNFPA, the United Nations Children's Fund (UNICEF) and United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) to ensure a coherent approach of the four strategic plans (UNDP, UNFPA, UNICEF, UN-Women);
3. *Also requests* UNDP, in line with General Assembly resolution 71/243 of 21 December 2016 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, to elaborate in its strategic plan on how it plans to engage in coherent and integrated support, as called for in the 2030 Agenda for Sustainable Development, and in this regard, further requests UNDP to work collaboratively with UNFPA, UNICEF and UN-Women on the development of a specific chapter in its strategic plan, outlining a common approach in supporting Member States towards the implementation of the 2030 Agenda, in accordance with each entity's mandate;
4. *Encourages* UNDP to collaborate with UNFPA, UNICEF and UN-Women to continue to harmonize their approaches to results reporting on their strategic plans, which, inter alia, will help to capture their contributions to collective outcomes;
5. *Requests* UNDP to provide all relevant documents at least 10 days prior to any consultation.

3 February 2017

2017/7

Elaboration of the UNFPA strategic plan, 2018-2021

The Executive Board

1. *Welcomes* the preparatory work done and the various informal meetings with the Executive Board on the process of elaboration of the UNFPA strategic plan, 2018-2021;
2. *Requests* UNFPA to engage constructively with UNDP, the United Nations Children's Fund (UNICEF) and United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) to ensure a coherent approach of the four strategic plans (UNDP, UNFPA, UNICEF, UN-Women);
3. *Also requests* UNFPA, in line with General Assembly resolution 71/243 of 21 December 2016 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, to elaborate in its strategic plan on how it plans to engage in coherent and integrated support, as called for in the 2030 Agenda for Sustainable Development, and in this regard, further requests UNFPA to work collaboratively with UNDP, UNICEF and UN-Women on the development of a specific chapter in its strategic plan, outlining a common approach in supporting Member States towards the implementation of the 2030 Agenda, in accordance with each entity's mandate;
4. *Encourages* UNFPA to collaborate with UNDP, UNICEF and UN-Women to continue to harmonize their approaches to results reporting on their strategic plans, which, inter alia, will help to capture their contributions to collective outcomes;

5. *Requests* UNEPA to provide all relevant documents at least 10 days prior to any consultation.

3 February 2017

2017/8

Overview of decisions adopted by the Executive Board at its first regular session 2017

The Executive Board

Recalls that during its first regular session 2017, it:

Item 1

Organizational matters

Elected the following members of the Bureau for 2017:

President: H.E. Mr. Ib Petersen (Denmark)
 Vice-President: H.E. Mr. Omar Annakou (Libya)
 Vice-President: Mr. Talal Aljamali (Yemen)
 Vice-President: H.E. Ms. Laura Elena Flores Herrera (Panama)
 Vice-President: Ms. Carolina Popovici (Republic of Moldova)

Adopted the agenda and approved the workplan for its first regular session 2017 (DP/2017/L.1);

Approved the report of the second regular session 2016 (DP/2017/1);

Adopted the annual workplan of the Executive Board for 2017 (DP/2017/CRP.1);

Approved the tentative workplan for the annual session 2017;

Agreed to the following schedule for the remaining sessions of the Executive Board in 2017:

Annual session: 30 May to 9 June 2017
 Second regular session: 5 to 11 September 2017.

UNDP segment

Adopted decision 2017/1, expression of appreciation to Ms. Helen Clark, Administrator of the United Nations Development Programme, 2009-2017;

Item 2

UNDP country programmes and related matters

Approved the following country programmes in accordance with decision 2014/7:

Africa: Botswana (DP/DCP/BWA/2); Chad (DP/DCP/TCD/3);
Latin America and the Caribbean: Haiti (DP/DCP/HTI/3);

Item 3

Evaluation

Adopted decision 2017/2 on the evaluation of the UNDP contribution to anti-corruption and addressing drivers of corruption and management response; and the evaluation of disability-inclusive development at UNDP and management response;

Item 4

Financial, budgetary and administrative matters

Adopted decision 2017/3 on the evaluation of the pilot activities carried out under the direct budget support policy;

UNFPA segment

Item 5

UNFPA: Country programmes and related matters

Approved the following UNFPA country programmes in accordance with decision 2014/7:

Botswana (DP/FPA/CPD/BWA/6); and Haiti (DP/FPA/CPD/HTI/6);

Approved the second one-year extension of the country programme for Somalia (DP/FPA/2017/3);

Item 6

Evaluation

Adopted decision 2017/4 on the thematic evaluation on UNFPA support to adolescents and youth (2008-2015);

UNOPS segment

Heard the UNOPS Executive Director give a statement;

Joint segment

Item 8

Recommendations of the Board of Auditors

Adopted decision 2017/5 on the recommendations of the Board of Auditors, related to the following reports: UNDP and United Nations Capital Development Fund (UNCDF): Report on the implementation of the recommendations of the Board of Auditors, 2015 (DP/2017/11); UNFPA: Follow-up to the report of the United Nations Board of Auditors for 2015: Status of implementation of recommendations (DP/FPA/2017/1); and UNOPS: Report on the implementation of the recommendations of the Board of Auditors for 2015 (DP/OPS/2017/1);

Item 9

Follow-up to the Joint United Nations Programme on HIV/AIDS (UNAIDS) Programme Coordinating Board Meeting

Took note of the report on the implementation of the decisions and recommendations of the Programme Coordinating Board of the Joint United Nations Programme on HIV/AIDS (DP/2017/12-DP/FPA/2017/2);

Item 10

Other matters

Adopted decision 2017/6 on the elaboration of the UNDP strategic plan, 2018-2021. Adopted decision 2017/7 on the elaboration of the UNFPA strategic plan, 2018-2021.

Also held the following briefings, informal consultations and special events:

UNDP

Briefing on the road map to the UNCDF Strategic Framework, 2018-2021;

Briefing on the UNDP Strategic Plan, 2018-2021;

Briefing on the road map to the United Nations Volunteers Strategic Framework, 2018-2021;

UNFPA

Briefing on the UNFPA Strategic Plan, 2018-2021;

Briefing on UNFPA humanitarian response funding;

Special event: Data systems within the framework of the Sustainable Development Goals.

**TENTATIVE WORKPLAN
EXECUTIVE BOARD OF UNDP, UNFPA and UNOPS
ANNUAL SESSION 2017
(30 May - 9 June 2017, New York)**

<i>Day/Date</i>	<i>Time</i>	<i>Item</i>	<i>Subject</i>
Tuesday, 30 May	10 a.m. - 1 p.m.	1	ORGANIZATIONAL MATTERS • Adoption of the agenda and workplan for the session • Adoption of the report of the first regular session 2017 UNDP SEGMENT STATEMENT BY THE ADMINISTRATOR
		2	ANNUAL REPORT OF THE ADMINISTRATOR • Cumulative review of the strategic plan and annual report of the Administrator for 2016 • Report of UNDP on the recommendations of the Joint Inspection Unit in 2016 • Statistical annex
	1 - 4:30 p.m.	3	ANNUAL REPORT OF THE ADMINISTRATOR (continued)
		3	FINANCIAL, BUDGETARY AND ADMINISTRATIVE MATTERS • Cumulative review of the UNDP integrated budget, 2014-2017
	5:30 - 6 p.m.		<i>Informal consultations on draft decisions</i>
Wednesday, 31 May	10 a.m. - 1 p.m.	4	UNDP STRATEGIC PLAN, 2018-2021 • Draft UNDP strategic plan, 2018-2021
	1 - 5:30 p.m.	5	GENDER EQUALITY AT UNDP • Annual report on the implementation of the UNDP gender equality strategy in 2016
		6	HUMAN DEVELOPMENT REPORT • Update on Human Development Report consultations (General Assembly resolution 57/264)
		7	UNDP COUNTRY PROGRAMMES AND RELATED MATTERS • Presentation and approval of country programme documents • Extensions of country programmes
	5:30 - 6 p.m.		<i>Informal consultations on draft decisions</i>
Thursday, 1 June	10 a.m. - 1 p.m.	8	EVALUATION • Annual report on evaluation and management response • Evaluation of the UNDP strategic plan, global and regional programmes, and management response • Assessment and recommendations of UNDP institutional effectiveness and management response
	1 - 5 p.m.	9	UNITED NATIONS CAPITAL DEVELOPMENT FUND • Cumulative review of the UNCDF strategic framework, 2014-2017, and annual report on results for 2016
	5 - 6 p.m.		<i>Informal consultations on draft decisions</i>
Friday, 2 June	10 a.m. - 1 p.m.		UNOPS SEGMENT STATEMENT BY THE EXECUTIVE DIRECTOR

		08	ANNUAL REPORT OF THE EXECUTIVE DIRECTOR • Annual report of the Executive Director • Report of UNOPS on the recommendations of the Joint Inspection Unit in 2016
	3 - 4 p.m.		UNDP SEGMENT (cont'd)
		09	UNEP STRATEGIC PLAN, 2018-2021 (cont'd) • Draft UNEP strategic plan, 2018-2021
Monday, 5 June	10 a.m. - 1 p.m.		UNFPA SEGMENT STATEMENT BY THE EXECUTIVE DIRECTOR
		10	ANNUAL REPORT OF THE EXECUTIVE DIRECTOR • Progress report on implementation of the UNFPA Strategic Plan, 2014-2017 • Statistical and financial review, 2016 • Report of UNFPA on recommendations of the Joint Inspection Unit in 2016
	1 - 3.30 p.m.	10	ANNUAL REPORT OF THE EXECUTIVE DIRECTOR (cont'd)
		11	EVALUATION • Annual report of the UNFPA Evaluation Office 2016, and management responses
	3.30 - 4 p.m.		<i>Informal consultations on draft decisions</i>
Tuesday, 6 June	10 a.m. - 1 p.m.	12	UNFPA STRATEGIC PLAN, 2018-2021 • Draft UNEP strategic plan, 2018-2021
	3 - 4 p.m.	13	COUNTRY PROGRAMMES AND RELATED MATTERS • Country programme documents • Elements of country programmes
	4 - 6 p.m.		<i>Informal consultations on draft decisions</i>
Wednesday, 7 June	10 a.m. - 1 p.m.		UNEP Special Event (Programming in the ECA region)
	3 - 6 p.m.	12	UNEP STRATEGIC PLAN, 2018-2021 (cont'd) • Draft UNEP strategic plan, 2018-2021
Thursday, 8 June	10 a.m. - 1 p.m.		JOINT SEGMENT
		15	INTERNAL AUDIT AND OVERSIGHT • Reports of UNDP, UNFPA and UNOPS on internal audit and investigations, and management responses
		16	REPORTS OF UNDP, UNFPA and UNOPS ETHICS OFFICES • Reports of the Ethics Offices of UNDP, UNFPA and UNOPS on activities for 2016, and management responses
		17	FIELD VISITS • Reports on field visits
	3 - 6 p.m.	18	OTHER MATTERS • Adoption of decisions

		1	ORGANIZATIONAL MATTERS • Adoption of the tentative workplan for the second regular session 2017 • Closing of the session
Friday, 9 June			



**Executive Board of the
United Nations Development
Programme, the United Nations
Population Fund and the
United Nations Office for
Project Services**

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30 May – 9 June 2017, New York

Item 2 of the provisional agenda

Annual report of the Administrator

**Cumulative review of the strategic plan and annual report of
the Administrator for 2016**

Summary

This report presents Member States with an overview of progress achieved during the first three years of implementation of the UNDP strategic plan, 2014-2017.

Elements of a decision

The Executive Board may wish to take note of the cumulative review of the third year of implementation of the strategic plan, 2014-2017.

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Annexes (available on the Executive Board website)



I. Introduction

1. The 2016 annual report provides an overview of development and organizational results achieved by UNDP at the three-year implementation mark of the strategic plan, 2014-2017.
2. The external environment is different today than it was when the strategic plan was adopted in September 2013. The organization has had to respond to significant changes, including a shift to a sustainable development goals focus requiring a more integrated, cross-sectoral programming approach; the adoption of a series of new intergovernmental agreements in key institutional areas of work, setting out new Member States commitments and priorities; a more costly, complex and protracted humanitarian burden, demanding longer-term, integrated responses beyond stop-gap emergency relief; and the emergence or acceleration of challenges whose scope was not foreseen when the current strategic plan was drafted.
3. In 2016, UNDP received \$4.9 billion in total contributions, 8.5 per cent higher than in 2015. However, the funding composition underpinning the strategic plan has changed over the past three years: the share of regular resources declined from 19 per cent in 2013 to 13 per cent in 2016, while other resources – such as bilateral, multilateral and government cost-sharing contributions – remained steady or increased.
4. The strategic plan, 2014-2017, provided UNDP with a dynamic implementation framework capable of accommodating programmatic and institutional recalibrations in response to changing circumstances and country priorities. The 2016 results highlight the following:
 - (a) The UNDP vision for 2014-2017 positioned country offices to support implementation of the sustainable development goals in 2016. While ‘business-as-usual’ will not be an option for the coming years, the country-level offer provides good pointers for areas of comparative strength that can carry over into the next planning period.
 - (b) There is a strong offer emerging in response to complex new challenges, such as helping countries deal with the increasing effects of climate change and preventing the spread of violent extremism.
 - (c) Strong results performance in emergency development and early recovery highlight the UNDP added value in humanitarian contexts, especially in protracted crisis settings. Lower-than-projected contributions suggest, however, that UNDP needs to better define its distinct service offer in this area.
 - (d) Lower-than-projected funding was among the reasons for the downward adjustment of milestones at the midterm review. The unstable funding environment will continue to be a challenge, requiring further investment in strategic pipeline management, diversification of funding sources, and the adoption of a more differentiated business model. It will be important to strengthen the relationship between the level of results ambition and required funding, including a more precise understanding of the implication of funding gaps.
5. UNDP remains committed to meeting the final four-year targets of the strategic plan while starting to prepare for the transition to a new planning period.

II. Summary of performance

Box 1: Development progress in numbers

Sustainable development pathways

- 24.7 million people (51 per cent women) benefited from improved livelihoods initiatives in 119 countries, including economic transformation, natural resource management and early recovery¹.
- Over two million new jobs (36 per cent for women) were created in 98 countries.

¹ Summarizes results across relevant indicators without double counting (annex 2).

- 35 countries developed action plans to address unfinished Millennium Development Goals work and transition to the sustainable development goals.
- 94 countries implemented measures towards low-emission and climate-resilient development.

Inclusive and effective democratic governance

- Nearly 75 million new voters registered in 40 countries. Over 3.2 million people (51 per cent women) in 35 countries gained access to legal aid services.
- Two million people in 22 countries received antiretroviral treatment.
- 27.6 million people took part in HIV-related behavioural change communication initiatives in 24 countries.

Resilience-building

- 1,239 disaster reduction and adaptation plans were put into place at national and subnational levels in 58 countries.
- 38 countries adopted enforceable laws or regulations to address disaster and climate risks.
- More than 5.3 million people had improved access to energy in 50 countries.
- 240 end-to-end early warning systems were established in 30 countries at all levels of government and community.
- 481 plans and programmes informed by multi-hazard national and subnational disaster and climate risk assessments in 36 countries.

6. The following findings emerge for UNDP development performance in 2016:

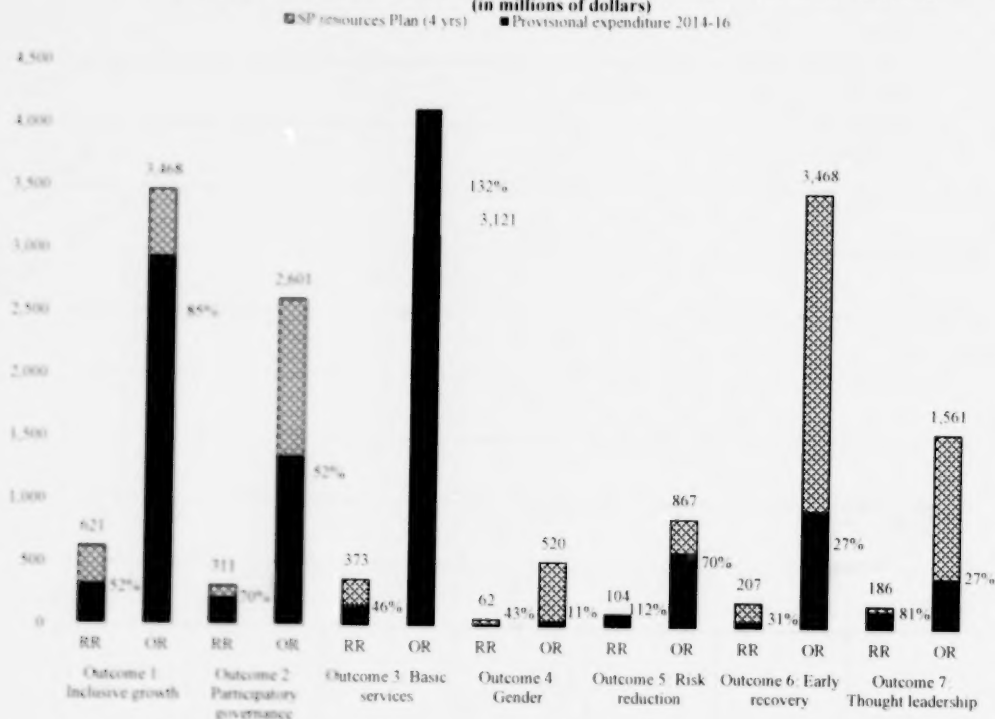
(a) **In 2016, development performance was solid, but slightly below the rate achieved in 2015.**

- (i) In 2016, 22 outputs (out of 38) scored a green rating (100 per cent, or above their annual milestones); 16 outputs were marked amber (above 60 per cent), and no outputs were rated red (below 59 per cent).
- (ii) The number of outputs that missed their annual milestones increased from seven in 2015 to 16 in 2016. The performance gap in the majority of cases, however, was minimal. Of the 16 outputs short of their 2016 milestones, 13 missed their annual milestones by 5 per cent or less, and three recorded a 10-14 per cent gap.
- (iii) A high percentage of countries worked in an output area that met or exceeded the 2016 milestones.

(b) **Gender performance remained strong with an increased uptake in reporting of gender results across almost all outcomes.**

- (i) A hundred and thirty-eight country offices reported gender equality results in 2016. Reporting increased in all outcomes except outcome 1 – which nevertheless continued to be the largest area under which country offices reported gender equality results – followed by outcomes 2 and 3.
- (ii) Outcome 4 continued to perform well in 2016, with three of its four outputs meeting or exceeding 2016 milestones. Only output 4.2 missed its milestone by 5 percentage points. Output 5.3 exceeded its 2016 milestone by 11 percentage points.
- (iii) When looking at the performance of sex-disaggregated indicators across all outcomes, indicators in five output areas flagged higher results for women against aggregate milestones, markedly so for output 6.1 and somewhat less in eight other cases.

Figure 1. 2014-2016 provisional programme expenditure against planned resources 2014-2017
(in millions of dollars)



Legend: SP = strategic plan; RR = regular resources; OR = other resources

(c) Expenditure varied greatly across outcomes.

(i) Outcomes 3 and 1 saw the highest other resources expenditures against projected resources for the 2014-2016 period. Outcome 4 (gender) had the least expenditure in other resources, recording only 11 per cent of the planning target. Outcome 6 (early recovery) and outcome 7 (thought leadership) met only 27 per cent of their target.

(ii) Outcomes 5 and 7 recorded high regular resources expenditures at the three-year mark, with 112 per cent and 81 per cent, respectively, of projected resources. Outcome 6 recorded the lowest regular resources expenditure, at only 31 per cent.

(iii) In 2016, UNDP spent close to \$292,000,000 from programming budgets on joint programmes. The largest expenditures were in Somalia (\$62,180,972) and Sudan (\$57,000,000).

(d) At the three-year implementation mark, UNDP is generally on track towards reaching 2017 targets.

(i) For 32 of the 38 outputs, results achieved by 2016 represented 75 per cent or more of total results expected by 2017. However, progress was below 75 per cent of 2017 targets for five outputs: core government functions (74 per cent), women's economic empowerment (70 per cent), natural resource management (67 per cent), sexual and gender-based violence (63 per cent) and social protection (62 per cent).

(ii) One output (4.3, gender evidence) had achieved only 41 per cent of its 2017 target in 2016. This was because the majority of contributing countries expect to realize improvements in sex-disaggregated data only in the final year of the strategic plan.

A. Development performance by outcome

7. UNDP annually presents report cards for each outcome of its strategic plan to allow Member States to better understand UNDP development performance (see annex 1).

8. Each report card provides information on: output performance, measured against annual milestones for the period 2014-2016; the number of countries that were supported under each output; the percentage of countries with planned results for each output that met or exceeded 2016 milestones; a comparison of gender indicator performance versus overall performance; and the associated gender equality expenditure (as measured by the UNDP gender marker). Each report card is complemented by qualitative results provided through the results-oriented annual report exercise. Examples offer a snapshot, rather than a complete listing, of the work UNDP supported in 2016.

Outcome 1. Inclusive and sustainable growth and development

Output	Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
	2014	2015	2016			
1.1 Structural transformation of productive capacities	111%	112%	113%	126	78%	Lower (105%)
1.2 Social protection	163%	111%	98%	62	86%	Lower (90%)
1.3 Sustainable management of natural resources	91%	86%	89%	113	75%	Lower (66%)
1.4 Climate change adaptation and mitigation	109%	104%	98%	116	88%	n/a
1.5 Inclusive energy efficiency and access	114%	92%	112%	81	65%	Higher (113%)
Expenditure with gender equality as a 'significant' or 'principal' objective: 45%						

9. Performance was generally strong under outcome 1. While three outputs (out of 5) scored amber, two (1.2 and 1.4) missed their milestones by a minimal 2 per cent. Output 1.3 showed an 11 per cent gap.

Examples

10. **UNDP support for employment and livelihoods in 126 countries led to improved policies, systems and institutional measures in 70 countries, created 1.79 million new jobs, and enabled more than 12 million people to benefit from strengthened livelihood opportunities.**

(a) In **Argentina**, UNDP supported the government employment programme for vulnerable youth. Approximately 88,950 young women and men participated in labour training programmes. Support to a network of public job centres allowed 116 offices across the country to offer orientation and labour intermediation services.

(b) In **Egypt**, UNDP supported skills development and access to job opportunities in 42 villages in Upper Egypt, training 2,250 young people and creating 533 new jobs in manufacturing, sustainable agriculture and basic services. Seventy per cent of beneficiaries were women. In the **Syrian Arab Republic**, UNDP support helped revive businesses, create new jobs, distribute productive assets and

provide vocational training in nine governorates. As a result, 102 micro-to-small business owners were able to restart their businesses, providing 9,485 monthly job opportunities.

(c) In **Serbia**, UNDP conducted a feasibility study on the potential of using social impact bonds to address high youth unemployment. In the **former Yugoslav Republic of Macedonia**, UNDP advised the Government on targeted labor market measures to integrate the most vulnerable and those with difficulties accessing the labour market, including people with disabilities and former prisoners.

11. Through UNDP support for social protection in 62 countries, 17 strengthened the financial sustainability of their social protection systems, and 18 introduced policy and institutional measures to increase access and coverage.

(a) In the **United Republic of Tanzania**, UNDP supported the inclusion of social protection provisions in its Five-Year Development Plan II, which will increase financing for social protection programmes from approximately \$80 million in 2016-2017 to \$306 million in 2019-2020, allowing more than 1.1 million extremely poor and vulnerable households to benefit from scaled-up social protection.

(b) UNDP partnered with the Office of the Vice President in the **Dominican Republic** to improve targeting and coverage of the Progresando con Solidaridad conditional cash-transfer programme that provides poor household with cash incentives if they invest in better health, education or nutrition. As a result, 40,088 new households were able to benefit from the programme in 2016. Together with the International Labour Organization (ILO) and UN-Women, UNDP also supported a gender review of all social protection programmes that led to agreement on a costed action plan to address gaps. The methodology is now being replicated in **El Salvador**.

(c) In **Viet Nam**, UNDP – in collaboration with other United Nations partners – assisted the Government in developing a master plan for social assistance reform. UNDP-supported analysis helped identify critical areas for reform, such as the lack of protection for lower-middle-income groups, inadequate coverage and benefits, fragmentation, and service provision problems.

12. Through its strong partnership with environmental vertical funds, UNDP helped countries access \$3.13 billion for sustainable development priorities. In 2016, 810 vertical fund projects were under way in 143 countries, representing a grant investment of \$3.13 billion. The grants leveraged another \$14.12 billion in cofinancing; thus \$17.25 billion was invested in the environment and sustainable development priorities of these countries.

(a) Through Global Environment Facility (GEF)-financed projects in 2016, more than 1.4 billion people are benefiting from integrated water resource management measures across 12 large marine ecosystems and 13 transboundary waterbodies; 26.8 million people have improved access to climate information; 224 million people are benefiting from improved ecosystem services; nearly 6 million people are benefiting from sustainable energy solutions; and 74 per cent of these projects are mainstreaming gender and advancing gender equality.

(b) In 2016, UNDP helped 11 countries – **Armenia, Ecuador, Malawi, Maldives, Mauritius, Pakistan, Samoa, Sri Lanka, Tuvalu, Uganda and Viet Nam** – access \$348 million in Green Climate Fund financing. The projects are expected to increase resilience to climate change among 4.54 million direct and 65.7 million indirect beneficiaries, while averting 22.5 million tons of carbon dioxide-equivalent emissions.

(c) Eighty per cent of UNDP projects that completed a terminal evaluation in 2016 had outcome ratings in the ‘satisfactory’ range, higher than the average of 75 per cent across all GEF organizations.

Outcome 2. Stronger democratic governance to meet citizens' expectations

Output	Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
	2014	2015	2016			
2.1 Parliaments, constitution-making bodies and electoral institutions	120%	104%	95%	96	72%	Higher (97%)
2.2 Anti-corruption	103%	97%	103%	60	85%	n/a
2.3 Human rights institutions	109%	106%	98%	63	89%	n/a
2.4 Civil society engagement	100%	95%	90%	72	85%	Lower (85%)
2.5 Natural resources and biodiversity/ecosystems	169%	104%	100%	76	85%	n/a
2.6 Discrimination and emerging issues	150%	122%	86%	21	72%	Same
Expenditure with gender equality as a 'significant' or 'principal' objective: 37%						

13. The performance of outcome 2 slipped slightly, with two outputs meeting or exceeding their 2016 milestones (compared to four in 2015) and four falling short of their milestones. It is notable, however, that three of the four outputs falling short in 2016 over-performed in 2015.

Examples

14. **UNDP electoral support in 90 countries strengthened the capacities of 50 parliaments, 34 constitution making bodies and 41 electoral management bodies.** UNDP support led to the registration of almost 75 million additional voters and the participation of 288,958 additional women candidates in national elections.

(a) The Election Commission of **Nepal**, with UNDP support, registered more than 531,000 citizens through a biometric voter system, significantly exceeding its 2016 target of 300,000 registrations. In **Pakistan**, more than 400 election officials participated in training courses on electoral legal frameworks, a computerized results management system, and voter education for women, youth and minorities in sensitive areas. Over 9,000 polling stations were digitally mapped, adding transparency to electoral administration and bolstering public confidence in the electoral process.

(b) In the **Republic of Moldova**, a UNDP partnership with UN-Women and the women's caucus in the parliament led to the adoption of a 40 per cent gender quota for cabinet and political party lists. In **Armenia**, UNDP worked with more than 3,000 women to build leadership skills. Compared to the 2012 local elections, the number of women candidates increased by 28 per cent in 2016, and the number of elected women by 18 per cent.

(c) In **Chile**, UNDP supported citizen consultations as part of the country's process to draw up a new constitution. The consultations engaged more than 126,000 people through regional and local meetings, and received more than 90,000 online responses. UNDP was asked by the government to systematize the findings. Together with the United Nations Children's Fund (UNICEF), ILO and the United Nations Office of the High Commissioner for Human Rights, UNDP was part of the Commission overseeing the participation of indigenous people in the constitutional process. The results of both of these inputs will help elaborate the so-called "Bases Ciudadanas" for the drafting of the new constitution.

15. UNDP supported anti-corruption initiatives in 60 countries, resulting in the adoption of 93 new proposals to mitigate sector-specific corruption risks.

- (a) In **Ukraine**, UNDP supported the establishment of the National Agency for Corruption Prevention, assisting the agency with the launch of an asset e-declaration system that enabled over 130,000 officials to publish their assets. An online whistleblowing platform was set up in **Kosovo**² with UNDP support, receiving over 5,000 cases of corruption, fraud and other abuse.
- (b) In the **Arab States**, UNDP brought together 800 stakeholders from 18 countries to discuss ways to strengthen institutional and sector accountability. A regional ministerial declaration renewed political commitment and outlined areas for joint action.
- (c) In **Lesotho**, UNDP supported the Directorate for Corruption and Economic Offenses in implementing a national anti-corruption strategy, resulting in the establishment of anti-corruption committees in 12 of the 26 government ministries in 2016.

16. UNDP supported civic engagement in 72 countries, strengthening the capacities of women's groups in 42 countries, youth groups in 46, and groups dealing with other exclusion-related issues in 41.

- (a) In **Zimbabwe**, UNDP helped the Government expand space for citizen participation in policy formulation. With UNDP support, 75 public hearings on five critical bills were held in 2016, allowing 4,100 citizens to contribute their perspectives.
- (b) In **Maldives**, UNDP supported a social innovation camp, with over 100 young innovators nationwide, to develop 'out-of-the-box' solutions for better civic participation. In the **Solomon Islands**, UNDP partnered with the Ministry of Women, Youth, Children, and Family Affairs to advocate for the participation of youth in activities to promote peacebuilding and conflict prevention.
- (c) In **Jamaica**, in partnership with the Ministry of Local Government, UNDP facilitated the establishment of parish safety and security committees in 12 local authorities to ensure civil society participation in decision-making.

17. UNDP support enabled 23 countries to adopt legal reform proposals to fight discrimination. Interventions addressed discrimination based on gender, race, ethnicity, HIV-status, and disability.

- (a) In **Egypt**, together with UNFPA, UNICEF, and UN-Women, UNDP support facilitated the adoption of an amendment to the law against female genital mutilation, reclassifying the practice as a felony and penalizing all partners in the crime.
- (b) In **Armenia**, UNDP supported the drafting of a new framework to protect people living with disabilities.
- (c) In **Pakistan**, a resolution against the rising trend of violence against women was passed unanimously by the Khyber Pakhtunkhwa Assembly, requiring the provincial government to take steps against the perpetrators of 'honour killings' in the province.

² All references to Kosovo shall be understood to be in the context of Security Council resolution 1244 (1999).

Outcome 3. Institutions enabled to deliver universal access to basic services

Output	Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
	2014	2015	2016			
3.1 National ownership of recovery and development processes	150%	103%	102%	60	75%	n.a.
3.2 Subnational capacity for basic services delivery	105%	98%	96%	60	96%	n.a.
3.3 HIV and related services	108%	101%	96%	63	61%	Higher (+164%)
3.4 Rule of law access to justice	208%	156%	133%	52	40%	Lower (-107%)
3.5 Citizen security	133%	126%	101%	33	90%	Higher (+106%)
Expenditure with gender equality as a 'significant' or 'principal' objective: 27%						

18. Progress under outcome 3 was solid, although the number of amber ratings increased from one to two; outputs 3.2 and 3.3 missed their milestones by 4 per cent.

Examples

19. **UNDP supported initiatives to strengthen core government functions in 30 countries, enabling 19 countries to achieve their targets for restored or strengthened functions.** Support for subnational capacity strengthening across 80 countries has so far enabled 51 countries to improve capacities of subnational institutions to deliver basic services.

(a) In **Azerbaijan**, UNDP supported the establishment of a training centre in the Public Administration Academy, where 300 civil servants were trained in strategic management, leadership skills, and monitoring and evaluation. Collaboration on open data and a public services inventory allowed **Uzbekistan** to improve its ranking on the 2016 United Nations e-government development index by 20 positions.

(b) In **Bangladesh**, UNDP supported the Prime Minister's Office in improving delivery of critical e-services to underserved communities. Serving 4.5 million beneficiaries, approximately six million e-services per month – including information for farmers, access to legal resources, and applications for land records – were delivered to citizens from rural and remote regions. In **Viet Nam**, UNDP supported leadership and management training for more than 700 women civil servants. In **Nepal**, UNDP supported the drafting of a gender equality and social inclusion workplace policy for the civil service, addressing such issues as workplace diversity and sexual harassment.

20. **UNDP managed HIV, tuberculosis, malaria and health systems-strengthening grants from the Global Fund in 21 countries, and regional grants covering 36 countries, with expenditures totalling \$396 million in 2016.** Half of the grants managed were in fragile or conflict-affected settings.

(a) Programmes have helped two million people access life-saving antiretroviral treatment. A major reduction in the price of HIV medicines procured by UNDP in 2016 brought the cost of the most common antiretroviral treatment combination to an unprecedented \$100 per patient per year. Those cost reductions are saving \$25 million that can be used to treat additional 250,000 people.

(b) The performance of UNDP grants reached a record high in 2016: 70 per cent of grants were rated 'A1' or 'A2' by the Global Fund, compared with 38 per cent of grants implemented by other partners.

21. **UNDP work in rule of law and access to justice in 52 countries recorded strong results.** Country offices facilitated access of more than 3,240,000 additional people to legal aid services, reaching more than 2,200 people and helping 144 victims access police, legal and medical services.

(a) UNDP provided strategic planning and technical support on legislative frameworks in the judiciary in **Montenegro**, bringing them into line with international standards. In **Tajikistan**, UNDP supported the provision of legal aid to 7,551 people, including 4,978 women and 575 people with disabilities.

(b) UNDP helped improve access to justice in **Sri Lanka** through the operationalization of its first national legal aid policy. As a result, over 480 victims of sexual and gender-based violence received legal support.

22. **UNDP support in 33 countries strengthened capacities for security sector governance and oversight in 27 countries and enabled gender-sensitive security strategies to be put in place at the community level in 20 countries.**

(a) In **Afghanistan**, UNDP provided salary payments to approximately 149,000 national police officers and 5,924 General Directorate for Prisons and Detention Centres officers in all 34 provinces. This has enabled the Ministry of Interior Affairs to maintain a growing police presence on the ground.

(b) In **Liberia**, UNDP helped the Government increase the presence of security personnel in high-risk areas, training, equipping and deploying 492 staff. In the **Central African Republic**, UNDP contributed to the adoption of a 30-per-cent quota for recruitment and training of women in the security forces. In **Burundi**, UNDP worked with UNFPA and United Nations Volunteers to improve community safety and social cohesion among conflict-affected youth.

(c) In **Colombia**, UNDP worked with municipalities to bring women's voices to the preparation of citizen security plans, resulting in the inclusion of measures to prevent violence against women.

Outcome 4. Gender inequality and women's empowerment

Output	Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
	2014	2015	2016			
4.1 Women's economic empowerment	100%	100%	100%	13	92%	Same
4.2 Sexual and gender-based violence	192%	114%	95%	20	96%	Same
4.3 Gender evidence		100%	100%	11	89%	Same
4.4 Women's participation in decision-making	84%	105%	100%	26	72%	Same

Expenditure with gender equality as a 'significant' or 'principal' objective: 96%

23. Outcome 4 recorded strong results in 2016, with three of the four outputs meeting or exceeding expectations. Output 4.2 was the only one to perform slightly below expectations, at 95 per cent. Detailed reporting on results achieved under outcome 4 is provided in the annual report on the implementation of the UNDP gender equality strategy in 2016 (DP/2017/18).

Outcome 5. Disaster prevention and risk management

Output		Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
		2014	2015	2016			
5.1	Mechanisms to assess natural/man-made risks	128%	119%	100%	43	84%	Lower (100%)
5.2	Disaster and climate risk management	117%	100%	99%	60	79%	Same
5.3	Gender-responsive disaster/climate risk management	99%	100%	101%	15	75%	Lower (109%)
5.4	Natural hazard preparedness	119%	100%	101%	45	65%	n/a
5.5	Peaceful management of conflicts	162%	98%	99%	27	74%	n/a
5.6	Cooperation-building around contested priorities	100%	100%	101%	24	95%	n/a
Expenditure with gender equality as a significant or principal objective: 30%							

24. Performance under outcome 5 was strong, with four of the six outputs exceeding their milestones. Outputs 5.2 and 5.5 remained marginally below expectations, at 95 and 98 per cent, respectively.

Examples

25. UNDP supported initiatives in 43 countries in strengthening capacities for assessing natural and man-made risks. This included the development of standardized damage and loss accounting systems with sex- and age-disaggregated data in seven countries; and the inclusion of multi-hazard disaster and climate risk assessments in the design of 481 new plans and programmes, 68 per cent of which were assessed as 'gender-responsive'.

(a) Policy work identified links between conflict and disasters in **Kyrgyzstan**; assessing dam safety in **Kazakhstan**, and publishing disaster-risk reduction and climate change snapshots for all countries in the region. The latter included a media toolkit on gender mainstreaming, developed in cooperation with UN-Women.

(b) In **Angola**, UNDP and the United Nations Office for Disaster Risk Reduction (UNISDR) supported the Government in establishing a national disaster loss database to strengthen evidence-based policy decisions on disaster risk management.

(c) UNDP supported the establishment of a disaster loss and damage database in **Myanmar**.

26. UNDP supported the development of 1,239 disaster-risk reduction and adaptation plans, frameworks or coordination mechanisms in 50 countries, and supported the establishment of 240 new end-to-end early warning systems in 30 countries.

(a) In the **Philippines**, UNDP supported the introduction of a climate insurance product which, through quick pay-outs, helped 2,413 affected rice and corn farmers in 2016 to restart their livelihoods. To scale up the product, UNDP supported the drafting of a congressional bill officially recognizing the provision of weather index insurance.

(b) In **Sudan**, UNDP supported the development of 22 weather index products that will allow 60,000 farmers and pastoralists to access climate risk finance in 2017.

(c) In **Nigeria**, UNDP helped finalize a gender-responsive climate change roadmap and disaster-risk reduction policy. In the **United Republic of Tanzania**, UNDP supported the installation of 20 automatic weather stations and equipment for a '24/7' emergency operations centre. In a simulation exercise, 134 volunteers provided feedback towards better information flow during disasters.

(d) In **Georgia**, an early warning system to address flood risks in the Rioni river basin benefited 200,000 people and will be replicated nationwide.

(e) In **Cuba**, early warning systems with community integration and technology components were launched in watershed areas, providing informational, structural and economic assistance to 39,000 people in the event of floods.

27. Conflict prevention – including addressing the root causes of violent extremism – was an expanding area of work for UNDP at global, regional and country levels.

(a) In 2016, UNDP supported the drafting of the first-ever regional prevention of violent extremism strategy to increase regional and cross-border cooperation among **Djibouti, Ethiopia, Kenya, Somalia, South Sudan, Sudan, the United Republic of Tanzania, and Uganda**. UNDP facilitated a regional conference of religious leaders from **West and Central Africa**. Hosted in **Nigeria** by the Sultan of Sokoto, the meeting concluded with adoption of the Abuja Declaration, condemning extremist ideologies and establishing a region-wide network to prevent violent extremism.

(b) In **Kyrgyzstan**, UNDP supported the establishment of a monitoring centre to collect and analyse data on inter-ethnic tensions across the country. In 2016, the centre developed an electronic map and 30 analytical reports and recommendations for local authorities to take preventive measures. An early-response group was set up to provide timely support and expertise to local authorities.

(c) In **South Sudan**, UNDP supported the signing of 10 community-level agreements promoting peaceful coexistence between previously conflicting communities. Over six million citizens acquired information on peaceful coexistence through media campaigns and peace workshops.

Outcome 6. Early recovery and rapid return to sustainable development pathways

Output		Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
		2014	2015	2016			
6.1	Early economic revitalization	139%	103%	127%	27	89%	Higher (172%)
6.2	Capacities for early recovery efforts	100%	109%	99%	27	95%	n/a
6.3	Innovative partnerships in early recovery	85%	103%	139%	8	71%	n/a
6.4	Social cohesion and trust	150%	126%	102%	22	89%	Lower (86%)
Expenditure with gender equality as a 'significant' or 'principal' objective: 56%							

28. Outcome 6 showed strong performance in 2016, with three outputs meeting or exceeding milestone expectations – two by substantial margins – and one missing its milestone by 1 per cent.

Examples

29. UNDP supported early economic revitalization in 27 countries, resulting in 5.9 million people accessing diversified livelihood opportunities (1.4 million more than projected).

(a) In the **Syrian Arab Republic**, UNDP assisted with the return of internally displaced persons by restoring basic services and community infrastructure. Eight governorates were covered, with 20,041 emergency jobs created; 267,568 tons of solid waste and debris removed; 142,400 fuel briquettes produced from recycled waste; 145 municipal service equipment/vehicles maintained; and

36 social/productive infrastructure and 403 kilometres of roads repaired. Over 2,466,000 people benefited in 2016. In **Lebanon**, UNDP expanded its support in communities hosting high numbers of Syrian refugees. UNDP worked with 125 additional communities to improve livelihood opportunities and strengthen municipal services; 822,000 people (503,000 Lebanese and 293,000 Syrian refugees) benefited. UNDP implemented over 200 initiatives across more than 20 newly liberated areas in **Iraq**, including more than 90 projects providing clean water and basic health care; 27 projects securing power supply for returnees; 65 education projects allowing thousands of Iraqi students to return to school; and 16 livelihoods and cash-for-work initiatives. This facilitated the return of over 600,000 Iraqis.

(b) In **Ukraine**, UNDP supported the rehabilitation of three bridges, five water supply systems, one post office, and one enterprise, benefiting more than 4 million people on both sides of the contact line. In **Turkey**, UNDP helped Syrians, host communities and municipalities to cope with the impact of displacement. More than 6,600 Syrians received vocational training, training on basic life skills, and Turkish language classes, resulting in more than 200 job placements. UNDP helped strengthen municipal infrastructures to better serve the increased population. Over 113,000 Syrians in camps benefited from improved solid waste management service.

(c) In **Haiti**, UNDP assisted with post-Hurricane Matthew recovery, strengthening the National Centre for Disaster Operations by rapidly deploying technical staff, developing a post-disaster needs assessment and drafting six community plans for immediate recovery. In 19 of the worst-affected municipalities, 335,950 daily jobs were created; 19,200 meters of irrigation canals were cleaned; 3,600 meters of roads were cleared, giving access to 127 kilometres of roads; and 40,800 cubic metres of debris and waste were collected. UNDP also supported post-earthquake recovery in **Ecuador** resulting in the removal of 18,780 cubic metres of debris, benefiting 500 households; the relocation of 1,700 merchants; the recovery of over 500 family businesses, with 2,700 indirect beneficiaries; coverage of 300 farming households by a community rebuilding programme; and the strengthening of 241 small businesses, with over 1,000 direct beneficiaries.

30. UNDP support for innovative solutions for recovery established 177 innovative partnerships for early recovery in 13 countries, exceeding the eight countries with directly contributing projects.

(a) In **Yemen**, UNDP partnered with the World Bank to implement a \$300 million emergency project supporting two million Yemenis through cash-for-work programmes, as well as improvements to public service delivery and the repair of critical infrastructure across the country.

(b) In **Ecuador**, UNDP launched a technology platform for private donations and engaged goodwill ambassadors to assist with publicity for two post-earthquake fundraising concerts, in Miami and Quito. Engagement with private sector companies mobilized a further \$2 million.

(c) UNDP, the United Nations Office for Humanitarian Affairs and Deutsche Post DHL, celebrated a decade of partnering in the areas of disaster preparedness and response. To date, the 'Get Airports Ready for Disaster' programme has trained more than 600 people across 30 airports in 15 countries.

(d) With the Office for the Coordination of Humanitarian Affairs and UNISDR, UNDP launched the 'Connecting Business' initiative to help the private sector engage with the United Nations system, governments and civil society in disaster-risk reduction, emergency preparedness, response and recovery.

Outcome 7. Thought leadership

Output	Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
	2014	2015	2016			
7.1 Global consensus on MDGs/post-2015 agenda	182%	107%	100%	Global	n/a	Same
7.2 Progress on MDGs post-2015 agenda	114%	130%	100%	30	94%	Same
7.3 National development plans	145%	111%	109%	32	86%	n/a
7.4 Global development financing	100%	94%	95%	25	98%	n/a
7.5 South-South and triangular cooperation	113%	107%	99%	21	86%	n/a
7.6 Innovative development solutions	133%	157%	131%	20	86%	n/a
7.7 Knowledge about development solutions	101%	118%	127%	Global	n/a	n/a
7.8 MDGs and other global development goals		123%	99%	Global	88%	n/a
Expenditure with gender equality as a 'significant' or 'principal' objective: 19%						

31. Performance under outcome 7 was strong, despite an increase in the number of amber-rated outputs. Milestones were substantially exceeded for outputs 7.6 and 7.7, while outputs 7.4, 7.5, and 7.8 missed their milestones by a margin of 5 per cent or less.

Examples

32. **Support to the roll-out of Agenda 2030 was a priority in 2016.** With UNDP support, 30 countries established updated and disaggregated data systems to measure progress towards the sustainable development goals.

(a) In **Ghana**, UNDP supported indicator formulation for sustainable development goals localization and the collection of standard administrative data to monitor the goals. UNDP worked with the government of **Benin** to define targets and indicators for achieving the goals, and increased the legitimacy of the national monitoring and evaluation framework.

(b) In **Mongolia**, UNDP supported the national statistical office with an assessment of data availability to monitor the goals. The assessment helped establish national baselines, indicators and targets for the goals. National census and survey questionnaires were reviewed to identify questions that could be added to fill data gaps.

(c) In the **Republic of Moldova**, UNDP supported a mapping of the data ecosystem as part of the country's participation in the global data revolution initiative.

(d) In **Barbados and the OECS countries**, UNDP strengthened national capacities to generate and use statistical indicators and disaggregate data to better identify vulnerable and excluded groups.

33. **UNDP provided technical assistance to 20 countries across all regions in 2016 to help align sustainable development goals targets with national planning instruments.**

(a) Integrated policy and programming missions were undertaken in nine countries in 2016. Early results include: a roadmap for **Liberia** to prepare its next goals-aligned national plan; a draft roadmap for implementing the goals in **Jamaica**, proposing critical accelerators; and technical inputs to guide sustainable development goals implementation in **Kazakhstan**, which informed the parliamentary statement adopted on Agenda 2030. Other countries supported were **Cambodia, Djibouti, Guinea, Kazakhstan, Mauritius, Sudan, and Tajikistan**.

(b) UNDP supported the production of the first 2030 High-Level Political Forum on Sustainable Development reports in **Georgia, Montenegro and Turkey**. In **Turkmenistan**, UNDP supported the establishment of a task group of 20 national agencies, resulting in the integration of country-adapted goals and targets in the presidential socio-economic plan, 2017-2021.

34. UNDP helped raise public awareness and sensitize government and other stakeholders in 106 countries, and disseminated sustainable development goals messages to the public in 95 countries.

(a) The UNDP-administered 'SDG Action Campaign' produced over 20 interactive exhibitions, expanded the award-winning 'Virtual Reality for SDGs' initiative with eight new films, and upgraded over 200 civil society networks and organizations from Millennium Development Goals Post-2015 status to sustainable development goals advocacy partners.

(b) In Europe and Central Asia, citizen outreach models were piloted – 'Mapathon' in **Armenia**, the 'Imagine 2030' game in **Bosnia and Herzegovina**, and 'Bike4SDGs' in **Belarus**.

35. Through UNDP support in 25 countries, 18 countries so far have adopted more effective mechanisms to access, deliver, monitor and report on the use of official development assistance and other sources of global development financing.

(a) The Tax Inspectors Without Borders project helped eight pilot countries raise over \$260 million in additional tax revenues in 2016. Thirteen projects are under way in **Botswana, Costa Rica, Ethiopia, Georgia, Ghana, Jamaica, Lesotho, Liberia, Malawi, Nigeria, Uganda, Zambia and Zimbabwe**. New programmes will launch in the coming year – including deployments of auditors to **Cameroon, the Democratic Republic of the Congo, Egypt, Uganda and Viet Nam** – towards the goal of 100-plus deployments by 2020.

(b) UNDP supported the Government of **Kazakhstan** in drafting its midterm official development assistance strategy and establishing the Kazakhstan Agency for International Development. A joint project, launched in 2016, promoted cooperation between Kazakhstan and Afghanistan. UNDP supported **Romania** in developing new legal and institutional frameworks for official development assistance, leading to the establishment of the Romania International Development Agency.

(c) In **Malawi**, support to the aid management platform helped the country meet its commitments under the International Aid Transparency Initiative. Data generated from the platform played a critical role in informing national budgeting process, enabling key stakeholders to analyse donor financing.

36. UNDP support led to the establishment of more than 160 new public-private partnership mechanisms promoting innovative development solutions.

(a) In the **United Republic of Tanzania**, UNDP worked with the Government and Twiga Bancorp Bank to scale up a mobile agriculture platform project, improving farmers' access to markets and the availability of soft loans for agriculture-based enterprises.

(b) In **Maldives**, a partnership between private sector companies and the Government resulted in the testing of unmanned aerial vehicles for improved disaster management.

(c) The **UNDP Gender Equality Seal** certification programme for public and private enterprises allowed more than 400 companies in **10 countries in Latin America** to be certified as meeting gender equality standards.

(d) UNDP and UN Global Pulse organized a **data innovation lab** and incubated six data experiments, with support from private sector partners such as Google, Ernst & Young, Facebook, IBM, Microsoft, and PricewaterhouseCoopers.

37. **UNDP brokered 293 South-South and triangular cooperation partnerships.**

(a) In 2016, in collaboration with the United Nations Office for South-South Cooperation, UNDP launched the 'SSMart for Sustainable Development Goals' platform, a global marketplace that provides access to South-South development solutions. The SSMart platform enables partners to post demands, search for solutions, and collaborate.

(b) In **Asia and the Pacific**, delegates and development experts from 36 countries convened in Bangkok to discuss how to best integrate the goals into national plans and budgets. In **Latin America and the Caribbean**, the annual ministerial forum for development, hosted in 2016 by the Dominican Republic, brought together more than 20 vice-presidents, ministers and deputy ministers to exchange lessons on how effective social policies can help reduce poverty and inequality in a challenging economic climate.

(c) UNDP brokered knowledge exchanges on parliamentary best practices between experts from **Malaysia**, the **Philippines**, and **Viet Nam**, and facilitated the second phase of the **China-Cambodia-UNDP** trilateral cooperation cassava project.

38. **UNDP contributed new development thinking.** In 2016, UNDP launched – among other knowledge products – a global Human Development Report and seven regional or sub-regional human development reports. The Human Development Report Office website received over 4.1 million hits, and 85.6 per cent of users found UNDP knowledge products useful.

B. Lessons learned

39. UNDP has progressed in strengthening its results-based architecture, including a concerted effort to better understand the drivers influencing programme performance. Complementing the scorecard analysis, the results-oriented annual report exercise helps UNDP to identify **general factors across outcomes that appear to impede performance**, and to reflect on lessons learned. Building on these improvements, UNDP will be able to provide more granular analysis of output-specific performance factors in the future. The challenge, however, will be to find smart ways of breaking down the current scorecard aggregations to be able to isolate performance drivers, negative or positive, that affect theories of change within similar contexts. This would allow the organization to take targeted corporate actions in support of better performance, where necessary.

40. The most commonly cited reasons for programme delays in 2016 were related to external circumstances such as funding delays, changes in government priorities or counterparts, natural disasters, or deteriorating security situations. **Integrating better risk management into programme design and implementation is seen by country office managers as a priority for the next planning cycle.** Many country offices emphasized the importance of close relations with government partners at all levels to address bottlenecks in a quick, collaborative manner. While a strong results focus was key to high performance, it was also important to maintain flexibility so as to adapt country programmes to changing circumstances when necessary.

41. Country offices highlighted the positive results of multi-sectoral programming approaches, which varied across country contexts. Several managers stressed the benefits of integrated approaches bringing together different sectoral activities in a single programme around a higher-level objective (such as conflict prevention or peacebuilding). In some instances, integration went beyond cross-sector programming, tying together portfolios of different country offices and United Nations partner organizations (as with the Syrian refugee crisis response). In other cases, country offices reported leveraging synergies across projects, using portfolio management approaches, or identifying key cross-cutting concerns – such as disaster-risk reduction – to draw a programme portfolio together. Beyond the results benefits, integrated programming is producing cost savings for many country offices. **The sustainable development goals provide excellent entry points to expand the use of cross-sectoral, multi-partner programming approaches.** Lessons from the current strategic plan will be helpful to understand which approaches are best suited for different contexts, considering country office capacity and programme size.

42. Another lesson highlighted by many country offices was the importance of programming for the longer term. Interventions aiming to achieve in-depth, transformational results should be designed as part of a process spanning across country programmes. Country offices emphasized that time-bound project interventions were not sufficient. **Programmes and projects should be explicitly designed as building-blocks along a path of transformational change.**

43. Finally, the 2016 scorecard data showed that in a few cases low aggregate performance for outputs was driven by a small number of country offices setting milestones significantly higher than their peers. For example, the majority of the performance gap for output 1.3 is explained by one country office setting an unrealistically high milestone for women's jobs. Excluding this one value would have raised the overall aggregate performance for output 1.3 from 89 per cent to 95 per cent. **For the next planning period, it will be important to further refine the methodology for milestone-setting.** While ambitious target-setting is not bad per se, the assumptions underlying higher (or lower) targets by outlier countries must be clearly understood, and a tighter relationship established between milestone ambitions and resources required and spent.

C. Organizational performance

44. Organizational performance showed progress, with 23 of 46 available indicators meeting or exceeding their milestones (two not available). Twenty indicators achieved at least 80 per cent of their milestone, including seven that missed by less than 5 per cent. Three showed lower-than-anticipated performance. Highlights include:

(a) *Development effectiveness*

- (i) New programming quality standards piloted in 2014 were applied to all projects in 2016 and incorporated into programming instruments. Analysis showed that standards were met or exceeded in 63 per cent of projects, reaching 76 per cent for sustainability and 80 per cent for social and environmental standards. In 2017, an external assessment will review the methodology.
- (ii) In 2016, approximately half of 33 country programme documents (51.5 per cent) were found to meet quality standards at first appraisal. The integration of appraisal feedback contributed to 100 per cent compliance of country programme documents submitted to the Executive Board.
- (iii) A new monitoring policy was launched in 2016 to guide the collection of evidence for use in decision-making.
- (iv) The joint assessment of UNDP institutional effectiveness observed improvement in the quality of programmes. Most country offices valued organizational measures clarifying roles and responsibilities. More remains to be done to enhance programme effectiveness and UNDP will continue to strengthen learning and knowledge management and build a stronger results culture.
- (v) Executive Board approval of the evaluation policy (2016/17) helped towards strengthening evaluation functions, the use of knowledge for organizational learning, and effective management for results.

(b) *Transparency and accountability*

- (i) For the 11th consecutive year, UNDP obtained an unqualified audit on financial statements, exceeding industry benchmarks for satisfactory audits by 27 per cent.
- (ii) UNDP retained its top ranking for the second year in the 'Publish What You Fund' aid transparency index by increasing the quality and quantity of its project results, financial data and documents published in 2016.

(c) *External relations and partnerships*

- (i) The average percentage of partners perceiving UNDP as an effective contributor in strategic plan outcome areas was 3 per cent higher than in 2014.
- (ii) The assessment of multilateral institution effectiveness, 2015-2016, published by the Organization for Economic Cooperation and Development and the Multilateral Organization Performance Assessment Network, concluded that "UNDP largely meets the requirements of an

effective multilateral organization”, and found “clear evidence that UNDP is responsive to the needs and priorities of member states”.

(iii) From 2015 to 2016, UNDP saw a 37 per cent increase in direct contributions from international financing institutions, from \$28.8 million to \$39.4 million.

(iv) The Japan Innovation Network contributed ¥10 million to core, the first-ever contribution of a private sector actor to core.

(d) *Staff engagement.* UNDP registered significant improvements in staff empowerment, from 54 to 65 per cent, and staff engagement, from 69 to 79 per cent.

(e) *Institutional efficiency and effectiveness*

(i) Improved planning and budgeting processes were introduced in 2016, expanding the capacity of each bureau, and the organization as a whole, to make deliberate institutional resource allocations for achieving results.

(ii) Fast-track measures were mainstreamed into procurement and human resource policies and procedures.

(iii) Compliance of cost-sharing agreements with the new cost recovery policy reached 89 per cent, 1 per cent short of the 2017 target. Eighty-seven per cent of the organization met financial quality standards, surpassing the 80 per cent target set for 2017.

(iv) UNDP made its services more efficient by using advanced information and technology systems. The roll-out of a global e-recruit/e-hire initiative improved the speed and accountability of the recruitment process. Thirty-two country offices benefited from e-tendering, through which an estimated \$450 million was channelled (more than 25 per cent of UNDP procurement volume).

(f) *Staff and premises security.* 94 per cent of country offices met the minimum operating security standards, surpassing the target set for 2017.

(g) *United Nations coordination*

(i) The percentage of partners satisfied with UNDP’s leadership of the Resident Coordinator system increased from 62 per cent in 2014 to 74 per cent.

(ii) UNDP worked with undg to set in motion the review of the cost-sharing system for resident coordinators and is collaborating with undg and the United Nations development system to boost efficiency and effectiveness.

(iii) UNDP provided services to 18 agencies, funds and programmes, as well as 24 United Nations Secretariat entities, on a cost-recovery basis. UNDP managed a service clearance account for inter-organizational payments with a turnover of half a billion dollars a year, along with investment funds of \$7.9 billion, of which \$2.4 billion comprised funds from other United Nations organizations.

(iv) UNDP supported the implementation of standard operating procedures for ‘delivering as one’, chaired operational management teams, and guided the provision of common services and business operations. Those actions allowed UNDP to strengthen system-wide coherence and increase efficiency and effectiveness in the United Nations development system through shared common services and cost-saving measures.

III. Financial results³

Contributions for 2016

45. In 2016, contributions to regular and other resources were \$4.9 billion. Regular resource contributions decreased from \$0.704 billion in 2015 to \$0.618 billion, and other resources increased from \$3.69 billion

³ Numbers may not be exact due to rounding.

to \$4.16 billion. Government cost-sharing resources increased to \$0.892 billion, and bilateral/multilateral resources increased from \$2.85 billion to \$3.27 billion.

2014-2016 cumulative contributions

46. When comparing contributions received between 2014 and 2016 against integrated resources plan estimates (DP/2013/41), total contributions to regular and other resources were \$13.8 billion, or 71 per cent of the of \$19.4 billion estimate. Regular resources were \$2.1 billion, or 58 per cent of the \$3.6 billion estimate. Government cost-sharing contributions were \$2.6 billion, or 87 per cent of the \$3 billion estimate, and bilateral/multilateral resources were \$9.1 billion, or 71 per cent of the \$12.8 billion estimate.

Expenditure for 2016

47. Provisional expenditure for development activities⁴ was \$4.11 billion, of which \$0.44 billion was funded from regular resources and \$3.67 billion from other donor and local resources. Expenditure for United Nations development coordination was \$0.10 billion for management and special-purpose categories (\$0.37 billion and \$0.09 billion, respectively). The expenditure ratio for management activities to total expenditure was 7.9 per cent, which is below the management efficiency ratio of 8.1 per cent outlined in strategic plan estimates, 2014-2017.

2014-2016 cumulative expenditure

48. Total provisional expenditure for development activities was \$13 billion, of which \$1.49 billion was funded from regular resources and \$11.5 billion from other resources. The expenditure for United Nations coordination, management and special-purpose categories was \$0.30 billion, \$1.18 billion and \$0.25 billion, respectively. The expenditure ratio for management activities over total expenditure was 8 per cent, which is below the management efficiency ratio of 8.1 per cent outlined in strategic plan estimates, 2014-2017.

49. Between 2014 and 2016, total programme expenditure declined by 8 per cent, with the largest drop in the core resources category (-18 per cent). The overall programme expenditure of 69 per cent for 2014-2016 (set against the four-year resource plan) was not far off the 75 per cent delivery rate expected for three years of implementation. Other resources for outcome 1, regular resources for outcome 2, other resources for outcome 3, regular and other resources for outcome 5, and other resources for outcome 7, reached or exceeded three-quarters of the resources plan.

Table 1. Expenditure by cost classification category (in billions of dollars)

Cost classification category	Strategic plan estimates 2014-2017	Expenditure 2014-2015	Expenditure 2016	Expenditure 2014-2016
Development activities	\$20.11	\$8.88	\$4.11	\$13.00
United Nations development coordination activities	\$0.37	\$0.20	\$0.10	\$0.30
Management activities	\$1.84	\$0.82	\$0.37	\$1.18
Special purpose activities	\$0.32	\$0.16	\$0.09	\$0.25
Total	\$22.64	\$10.06	\$4.67	\$14.73

Table 2. Management expenditure ratio

Cost classification category	Strategic plan estimates	Expenditure 2014-	Expenditure	Expenditure
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⁴ Preliminary information for 2016 is from unaudited UNDP financial data.

	2014-2017	2015	2016	2014-2016
Management activities (a)	\$1.84	\$0.82	\$0.37	\$1.18
Total activities (b)	\$22.64	\$10.06	\$4.67	\$14.73
Management expenditure ratio (c) = (a) / (b)	8.1%	8.1%	7.9%	8.0%



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Report of UNDP on the recommendations of the Joint Inspection Unit in 2016

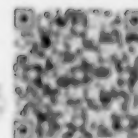
Summary

In 2016, the Joint Inspection Unit issued nine reports containing 68 recommendations (at the time of the present report). Of those, seven reports with 41 recommendations are directed at UNDP. They include 14 recommendations addressed to the Executive Board as the governing body of UNDP. In 2016, the Joint Inspection Unit issued 25 single-organization management letters on the review of the acceptance of the Unit's recommendations. Of those, one management letter is directed at UNDP.

In line with General Assembly resolution 59/267 of 23 December 2004, and as reiterated in resolution 62/246 of 3 April 2008, the present report provides a synopsis of management responses to the recommendations and draws attention to the recommendations directed to the legislative bodies of United Nations system organizations. The present report includes an update of the status of implementation of the recommendations contained in reports issued in 2015 and 2014. In accordance with the wishes of the Executive Board and with the emphasis of the United Nations system on simplification and harmonization, the present report was prepared in a format developed jointly with UNFPA.

Elements of a decision

The Executive Board may wish to take note of the present report, including the management responses to the 14 recommendations of the Joint Inspection Unit intended for consideration by the Executive Board (see annex II, available on the Executive Board website).



I. Overview of Joint Inspection Unit reports issued in 2016

1. The present report provides a summary of UNDP management responses to 41 recommendations of the Joint Inspection Unit specifically relevant to UNDP (out of 68 recommendations contained in the reports issued by the Unit in 2016), as well as the implementation status of relevant recommendations issued in 2015 and 2014. It draws attention to recommendations made by the Unit in 2016 for consideration by the governing body of UNDP, and to the proposed management responses (see annex II, available on the Executive Board website). The present report provides a summary of the UNDP management response to the Joint Inspection Unit's management letter on the review of the acceptance and implementation of the Unit's recommendations by UNDP. A full listing of reports and notes from the Joint Inspection Unit, and details of its recommendations – including background information about the mandate and work of the Unit – are available at <https://www.unjpu.org/en/reports-notes/Pages/Reports-and-Notes.aspx>.

2. Seven reports issued in 2016 (at the time of the present report) contain 41 recommendations that are of direct relevance to UNDP. They are: (a) succession planning in the United Nations system organizations (JIU/REP/2016/2); (b) fraud prevention, detection and response in United Nations system organizations (JIU/REP/2016/3); (c) evaluation of the contribution of the United Nations development system to strengthening national capacities for statistical analysis and data collection to support the achievement of the Millennium Development Goals (MDGs) and other internationally agreed goals (JIU/REP/2016/5); (d) meta-evaluation and synthesis of United Nations development assistance framework evaluations, with a particular focus on poverty eradication (JIU/REP/2016/6); (e) comprehensive review of United Nations system support for small island developing states: final findings (JIU/REP/2016/7); (f) state of the internal audit function in the United Nations system (JIU/REP/2016/8); (g) safety and security in the United Nations system (JIU/REP/2016/9); and (h) review of the acceptance and implementation of Joint Inspection Unit recommendations by the United Nations Development Programme (UNDP) (JIU/MR/2016/10).

II. Synopsis and review of relevant Joint Inspection Unit reports and recommendations in 2016

3. The management responses to the relevant recommendations in the reports are provided below. Annex I contains a statistical summary of reports issued by the Joint Inspection Unit in 2016, and annex II contains proposed management responses to recommendations directed to the Executive Board as the governing body of UNDP (both annexes I and II are available on the Executive Board website).

A. Succession planning in the United Nations system organizations (JIU/REP/2016/2)

4. The report of the Joint Inspection Unit entitled "Succession planning in the United Nations system organizations" provides a consolidated system-wide review of succession planning in the United Nations system organizations. UNDP welcomes the report, whose objectives are to: (a) follow up and assess progress made in developing a framework for a succession planning strategy and implementing relevant policies; (b) identify succession planning challenges and propose solutions; (c) identify and disseminate best good practices; and (d) propose benchmarks for succession planning.

5. The report proposes five succession planning benchmarks based on leading practices in the private and public sectors through which United Nations system organizations:

(a) institute formal succession planning with due regard to the organizations' needs, taking into consideration its mission, its mandate and the nature of its work;

(b) adopt a holistic approach, integrating its formal succession planning and management into its overall human resources management activities;

(c) establish, by the best means at its disposal, its current critical roles and positions, as well as the competencies required for those key roles and positions, and plans for their future revision/identification with more sophisticated means, requesting appropriate funding;

(d) review, by the best means at its disposal, its current talent to identify staff members who have the potential to be considered for and take over key roles and positions immediately or shortly after some additional preparation; and

(e) communicate in a transparent way the staff development and career path requirements for staff members to be considered as potential candidates for succession to critical roles and positions; the organization provides staff members, identified as potential talent, with learning and development opportunities that will allow them to fulfill the responsibilities of those roles and positions.

6. The report's four recommendations issued are all of relevance to UNDP. Recommendations 2, 3, and 4 are directed to the Administrator and recommendation 1 is directed to the Executive Board for consideration.

7. With respect to recommendation 2, in 2016 UNDP developed several framework documents addressing succession planning strategies, with more planned in 2017 for review and approval by the Executive Board. These framework documents are on recruitment and selection, learning and development, performance management, and on mobility and reassignments. The framework documents on selection, training, performance and placement of UNDP staff together help to address succession planning, with a more integrated approach where staff performance highlights skills-gaps which in turn motivates learning and development, hence triggering career growth and succession. Additionally, UNDP has ensured that the organization's policies remain in line with other organizations in the United Nations common system. UNDP accepts recommendation 2 and highlights that its implementation is in progress.

8. With respect to recommendation 3, UNDP is already implementing the report's five benchmarks in its succession planning:

Benchmark 1: Formal succession planning has been in place for leadership career track positions both at headquarters and in the field. Predicated reassignments, based on staff coming to the end of their tours of duty and those separating, are monitored routinely. Annual demand forecasts are used to plan for succession ahead of time by UNDP central and regional bureaux. The process is formal and routine and in the last several years has involved senior management in oversight and execution.

Benchmark 2: Succession planning is achieved holistically, as it is impacted by staff motivation, achievement of results, staff development as well as through recognition of performance. In effect, succession at UNDP is embedded within the larger organizational human resources management.

Benchmark 3: Similar to other organizations in the United Nations common system, UNDP has a dedicated team overseeing job evaluation and reclassification. UNDP jobs are changing to adapt to evolving organizational needs both in terms of scope, accountabilities and positioning with the global

organization. UNDP has updated its competency framework and has updated the job descriptions of most of the international career posts to reflect updated competencies.

Benchmark 4: The organization reviews staff performance on an ongoing basis and has put in place objective and collective feedback into how talent is identified. UNDP employs a number ways to assess staff both in terms of their potential and performance. Bureaux acknowledge strong and emerging talent by nominating staff to key learning initiatives and corporate assessments and stretch assignments.

Benchmark 5: Staff development and career path requirements are decentralized to line managers and supervisors, including matrixed ones, to provide direct and honest feedback to staff on development needs and career options. The process is monitored corporately to ensure transparency and consistency so that all supervisors have completed annual performance discussions and reviewed developmental plans for their staff.

9. UNDP has participated with other United Nations system organizations in the groupings of the Human Resources Network, the International Civil Service Commission and the Chief Executives Board in discussing succession challenges and opportunities. UNDP has completed questionnaires and surveys, and has provided historical data on succession. UNDP is pleased to continue to play an active and participatory role in such fora. UNDP reporting tools, such as scorecards and dashboards, track selection and succession data so that UNDP can report on effectiveness to its governing bodies.

10. Concerning *recommendation 4*, UNDP supports the corporate nature of succession planning and is keen to present the best practices which it has adopted and to learn from the experiences of other United Nations organizations. UNDP looks forward to succession planning discussions within the Human Resources Network. Bearing this in mind, UNDP accepts recommendation 4 and highlights that it is in progress.

B. Fraud prevention, detection and response in United Nations system organizations (JIU/REP/2016/4)

11. The report of the Joint Inspection Unit entitled "Fraud prevention, detection and response in United Nations system organizations" examines fraud prevention, detection and response in the United Nations system at the conceptual and operational levels, and advocates the adoption of a fraud management framework that seeks to provide guidance on ways of dealing with fraud. The report builds on the significant work done by the oversight bodies of the United Nations system in recent years, particularly by the Board of Auditors (BOA), the Independent Audit Advisory Committee (IAAC), the Office of Internal Oversight Services (OIOS) of the United Nations, and other internal and external audit bodies.

12. Fifteen of the sixteen recommendations issued are of relevance to UNDP. Recommendations 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 are directed to the Administrator and recommendation 16 is directed to the Executive Board for consideration.

13. With respect to *recommendation 2*, UNDP updated its anti-fraud policy in October 2015 to include leading practices in the public and private sectors. The updated policy was approved and endorsed by the UNDP Executive Group chaired by the Administrator. The policy has also been shared with the Executive Board for information, and is made available to UNDP partners, vendors, staff and the general public, in line with UNDP transparency standards (UNDP policy against fraud and other corrupt practices, known generically as the UNDP anti-fraud policy). The policy will

continue to be reviewed and updated periodically. Bearing this in mind, UNDP accepts recommendation 2 and highlights that it has been implemented.

14. With respect to *recommendation 3*, UNDP has designated a custodian of the anti-fraud policy. The Office of Financial Resources Management, Bureau for Management Services, through the Chief Finance Officer, has the overall corporate responsibility for the implementation of the anti-fraud policy, including its periodic review.

15. In line with best practices, where everybody has a responsibility to prevent fraud, the UNDP approach to fraud prevention does not assign a single entity with sole responsibility for implementation. Rather, each unit plays a role consistent with its functional responsibilities in working to implement the anti-fraud policy, including maintaining an adequate control environment and preventing, detecting and reporting on fraud. Bearing this in mind, UNDP accepts recommendation 3 and highlights that it has been implemented.

16. With respect to *recommendation 4*, UNDP has a number of mandatory online trainings covering fraud; prevention of harassment and abuse of authority; ethics training; and UNDP legal framework. In 2016, the ethics course was refreshed. Steadily increasing numbers of individuals seeking advice and guidance from the Ethics Office and an increase in reporting concerns to the Office of Audit and Investigations (OAI), year after year, demonstrate the impact of the trainings in raising awareness.

17. Additionally, the Office of Audit and Investigations provides regular briefings and reports on lessons learned from investigations to regional bureaux, country offices and other business units. These briefings and reports are designed to provide valuable information about the risks facing UNDP, how those risks are changing, measures that can be put in place to minimize them in the future, and anti-fraud training to UNDP managers and other staff members when requested to do so by the relevant business unit. The UNDP fraud risk management framework action plan (see below) envisages additional training on fraud risks to be designed and rolled out in 2017. Bearing this in mind, UNDP accepts recommendation 4 and highlights that it has been implemented.

18. With respect to *recommendation 5*, UNDP has an integrated enterprise risk management policy, within which fraud risk assessment is an integral part. Units are expected to identify and highlight potential risks (both external and internal) in its planning processes. Risk owners are responsible to ensure that risks – including fraud – are identified and assessed and that a strategy is developed to mitigate them. Project management risks are further identified through risk logs and updated regularly in case of any changes when project monitoring visits are carried out.

19. On an annual basis, as part of the planning framework, UNDP offices identify risks that are consolidated at the corporate level and monitored during the year by the relevant bureaux and the Risk Management Committee, chaired by the UNDP Associate Administrator. In addition, the new anti-fraud policy envisages specialized fraud risk assessments to supplement the enterprise risk management risk assessment when designing programmes where the specific risks of fraud are considered high, a new practice which will take time to establish.

20. As of 2014, the Office for Audit and Investigations (OAI) has developed a proactive investigations model to attempt to establish the level of potential fraud risk in each country office in order to identify high-risk offices. In 2014, OAI conducted two proactive investigations, one of which was based on this model. OAI adopts a risk-based approach to its annual audit workplan. The OAI country office audit risk assessment model includes both quantitative and qualitative risk factors. Most of the

quantitative risk factors are extracted by OAI from corporate systems such as the enterprise risk management system (Atlas). The quantitative factors are determined on the basis of input from the regional bureaux and country office management in the respective regions. Bearing this in mind, UNDP accepts recommendation 5 and highlights that it has been implemented.

21. With respect to recommendation 6, UNDP employs a three-pronged approach with respect to anti-fraud policy. First, UNDP has a systematic application of an integrated enterprise risk management policy, where units are expected to identify and highlight potential risks (both external and internal) in the organization's planning processes. Risk owners are responsible to ensure that risks – including fraud – are identified and assessed and that a strategy is developed to mitigate them. This includes the risk of fraud.

22. Second, at the corporate level, measures to strengthen fiduciary risk management, including the risk of fraud, have been decided by the Operations Performance Group. To strengthen the UNDP approach to manage these risks UNDP, in May 2016, undertook a review of its corporate fraud risks and developed a proportionate fraud risk management framework action plan to address them. In line with corporate responsibilities, these fraud and risk mitigation strategies are being implemented under the direction of the Director, Bureau for Management Services, over the next two years, with regular reporting back to the Operations Performance Group. The risk management framework action plan contains the following high-level areas through which fraud risks will be managed: leadership, people and capacity, monitoring and oversight, operating environment and clustering operations.

23. Third, the UNDP anti-fraud policy specifically addresses the risk of fraud by implementing partners. In addition, UNDP has formulated clauses, for inclusion within new project documents, that strengthen the requirements for implementing partners to prevent fraud, to investigate or enable UNDP investigations of credible allegations of fraud, and to facilitate the return of funds provided by UNDP found to have been misused. These new clauses will be rolled out in new projects formulated in 2017.

24. As a result of these initiatives, and increasing fraud awareness, UNDP expects an increase in the number of fraud allegations reported in the short term. This number should reduce in the medium-to-long-term as the fraud risk management strategies take effect, recognizing that UNDP operates in high-risk environments. Bearing this in mind, UNDP accepts recommendation 6 and highlights that it has been implemented.

25. With respect to recommendation 7, the UNDP internal control framework is reviewed periodically. The next strategic review in 2017 will strengthen specific controls, including segregation of functions, the need for internal checks and approvals, physical controls, and regular monitoring and reporting controls, which help to prevent fraud. Customizations have been made to UNDP enterprise resource planning system to map internal control framework requirements and use approval controls within the system. Additionally, UNDP uses dashboards to monitor and highlight exceptions. Bearing this in mind, UNDP accepts recommendation 7 and highlights that it has been implemented.

26. With respect to recommendation 8, UNDP financial statements and annual reports to the legislative/governing bodies certify that "UNDP has implemented a sound system of internal controls to ensure that effective risk management is integrated into normal business processes". UNDP is presently formulating a system of attestation for its internal units, to be implemented in 2017, which provides a foundation for considering the establishment a formal statement of internal control. A certification of the fraud measures in place will be considered for inclusion within

the attestation process. Bearing this in mind, UNDP accepts recommendation 8 and highlights that it is in progress.

27. With respect to *recommendation 9*, UNDP contracts and agreements with vendors already include provisions relating to anti-fraud and the obligation to cooperate with audits and investigations (award and management of contracts). The UNDP new anti-fraud policy was expanded to cover implementing partners. In addition and as stated above, UNDP has also formulated clauses, for inclusion within new project documents, that strengthen the requirements for implementing partners to prevent fraud, to investigate or enable UNDP investigations of credible allegations of fraud, and to facilitate the return of funds provided by UNDP found to have been misused. These new clauses will be rolled out in new projects formulated in 2017. Bearing this in mind, UNDP accepts recommendation 9 and highlights that it has been implemented.

28. With respect to *recommendation 10*, UNDP has implemented customizations to its corporate enterprise resource planning system to map the internal control framework into the system and to incorporate additional fraud prevention measures related to vendor data and payments. Additionally, UNDP uses dashboards and exception reports from the system to monitor and highlight exceptions. Further use of artificial intelligence and forensic software is envisaged in 2017. Bearing this in mind, UNDP accepts recommendation 10 and highlights that it has been implemented.

29. With respect to *recommendation 11*, the UNDP policy for protection against retaliation protects individuals holding UNDP assignments contracts (i.e., staff members, interns, UN-Volunteers and contractors) who have, in good faith, properly reported allegations of misconduct, or who have cooperated with a duly authorized audit or investigation. The UNDP new anti-fraud policy was expanded to also cover staff members, non-staff personnel, vendors (actual or potential), implementing partners and responsible parties. Bearing this in mind, UNDP accepts recommendation 11 and highlights that it has been implemented.

30. With respect to *recommendation 12*, UNDP has an established central intake mechanism for reporting fraud allegations, which follows good practices. The OAI Hotline for Reporting Fraud and Other Wrongdoing, managed by an independent service provider on behalf of UNDP called 'The Network', is the main mechanism/channel for reporting fraud. Allegations of fraud may be submitted online, or via phone, mail, or email (reporting fraud, abuse and misconduct). The hotline is managed by an external party to strengthen confidentiality, a leading practice. Initial allegations are then screened by the Office for Audit and Investigations prior to being recorded in the system as complaints. This screening aims to ensure that only reports appearing to contain allegations of wrongdoing by UNDP personnel, or against UNDP funds and projects, are recorded. All recorded complaints are then subjected to a desk-based, preliminary assessment to confirm whether:

- the issue falls within OAI remit;
- the issue could have, on the face of it, occurred;
- there is enough information to pursue an investigation; and
- an investigation is the best course of action.

The complaint is acknowledged and the complainant is advised both during the course of the investigation and when the case is closed. Other entities are also advised depending on the subject of allegations and parties concerned. Bearing this

in mind, UNDP accepts recommendation 12 and highlights that it has been implemented.

31. With respect to *recommendation 13*, the Office for Audit and Investigations produces a quarterly report to the Audit and Evaluation Advisory Committee with statistical information on the types of cases received. Specifically, the committee has in its terms of reference a mandate to review and advise on the quality and assurance improvement programme, including internal and external assessments for the Office for Audit and Investigations.

32. The Office for Audit and Investigations conducts statistical analysis on the types of complaints received and substantiated in order to identify trends and other information relevant to its policies and programmes. The UNDP Administrator, in consultation with the Audit and Evaluation Advisory Committee, annually reviews OAI resource requirements. In 2016, the office concluded an internal review the timeliness of the investigative process, and updated its process and benchmarks. Bearing this in mind, UNDP accepts recommendation 13 and highlights that it has been implemented.

33. With respect to *recommendation 14*, where an investigation identifies credible allegations that a crime may have been committed, the established protocol is that the UNDP Legal Office refers the case to the Office of Legal Affairs of the United Nations Secretariat for potential referral to national authorities for investigation. Bearing this in mind, UNDP accepts recommendation 14 and highlights that it has been implemented.

34. With respect to *recommendation 15*, UNDP produces several fraud related reports:

(a) a quarterly report to the Audit and Evaluation Advisory Committee containing statistical and performance information on the types of cases receive;

(b) an annual report to the Executive Board entitled "UNDP: Report on internal audit and investigations" (the report for 2015 is available at this link). This report includes statistical information regarding the OAI investigative caseload and summaries of all cases of fraud and other misconduct that were substantiated during the year. It is publically available;

(c) an annual report on losses due to fraud and presumed fraud to the Board of Auditors, which publishes that report as an appendix to its financial report and audited financial statements for UNDP (the latest report is available at this link). This data is provided to the United Nations Board of Auditors by the UNDP Office for Audit and Investigations. The report is presented to the General Assembly and made available to the public.

35. The UNDP Administrator releases an annual report on disciplinary measures and other actions taken to respond to fraud, corruption and other wrongdoing. (the latest annual report is available at this link and is made available to the general public). In this report, the Administrator reiterates UNDP zero tolerance for unethical and corrupt practices. This report provides information on cases of disciplinary measures taken against staff members as well as former staff members and other personnel, such as contractors. The report further highlights actions that have been taken against substantiated allegations in order to sensitize staff to the consequences associated with such wrongdoings. In addition, UNDP publishes all internal audit reports, which are available to the public. Bearing this in mind, UNDP accepts recommendation 15 and highlights that it has been implemented.

C. Evaluation of the contribution of the United Nations development system to strengthening national capacities for

statistical analysis and data collection to support the achievement of the MDGs and other internationally agreed goals (JIU/REP/2016/5)

36. The report of the Joint Inspection Unit entitled "Evaluation of the contribution of the United Nations development system to strengthening national capacities for statistical analysis and data collection to support the achievement of the MDGs and other internationally agreed goals" is an independent system-wide evaluation of operational activities for development. The report examines the relevance, coherence and added value of the United Nations system as a whole in strengthening national capacities for statistical data collection, analysis and use. It provides a basis for helping to frame the dialogue on the continued role of the United Nations system in supporting countries and the changes that are needed to enhance its comparative value in a diverse and rapidly transforming world with multiple players all seeking to enhance development results.

37. All five recommendations are of relevance to UNDP. Recommendation 3 is directed to the Administrator and recommendations 1, 2, 4 and 5 are directed to the Executive Board for consideration.

38. With respect to *recommendation 3*, UNDP notes that a defining feature of the data revolution that the 2030 Agenda for Sustainable Development calls for is the complementary input that various stakeholders bring to improving overall national statistical capacity development. The large number of Sustainable Development Goal (SDG) indicators, each supported by a multitude of different stakeholders, will require greater efforts to coordinate efforts across broader data ecosystems, in order to minimize duplication of efforts, and to improve coherence. UNDP has already started implementing recommendation 3 in the following ways:

(a) UNDP is a member of the Inter-agency Expert Group on SDG indicators (IAEG-SDGs), which was formed in March 2015 by the United Nations Statistical Commission created to develop an indicator framework for the goals and targets of the 2030 Agenda. The IAEG-SDGs has affirmed the overall ownership and primary responsibility of Member States through their national statistical offices;

(b) For each indicator, the IAEG-SDGs has identified 'custodian' agencies, mandated with the responsibilities to help to ensure international comparability of country data, compute regional and global aggregates, and provide data in the global SDG indicator database. Specialized agencies with existing mandates in their domains are expected to assist with data collection from countries, develop internationally agreed standards and methodologies and support their adoption at the national level, and strengthen national statistical capacities and reporting mechanisms;

(c) UNDP has assumed lead responsibility for three indicators under SDG 16 (quality of public service, inclusive decision-making), two indicators under SDG 17 (effective development cooperation);

(d) Additionally, UNDP partners with other United Nations organizations to support specific indicators under SDG 1 (multi-dimensional poverty measure), SDG 5 (gender-based violence) as well as substantive contributions in many other areas through various inter-agency networks;

(e) UNDP is playing a lead role in strengthening national statistical capacity development and analytical reporting. Building on its experience in supporting the preparation of national MDG reports, UNDP is co-leading a United Nations Inter-agency Task Force with the United Nations Department for Economic and Social Affairs to develop guidelines for producing national SDG reports. These

reports will help to track national progress and provide analysis to support effective national implementation of the Goals. Furthermore, UNDP provides support for voluntary national reviews by programme countries at the High-level Political Forum.

(f) The SDG Fund is an example of inter-agency networking, with 21 joint programmes implemented by 14 United Nations organizations in 22 countries; all programmes are inter-agency by design and allow for cross-sectoral exchange of data and the fostering of end-to-end data value chains. Bearing this in mind, UNDP accepts recommendation 3 and highlights that it is in progress.

D. Meta-evaluation and synthesis of United Nations development assistance framework evaluations, with a particular focus on poverty eradication (JIU/REP/2016/6)

39. The report of the Joint Inspection Unit entitled "Meta-evaluation and synthesis of United Nations development assistance framework evaluations, with a particular focus on poverty eradication" is an independent system-wide evaluation of operational activities for development of the United Nations development assistance frameworks (UNDAFs). It examines both the quality of Framework evaluations conducted in the period 2009-2014 and subsequently draws conclusions from those evaluations to provide an assessment of the contribution of the United Nations system to poverty reduction. The report provides an opportunity to identify and highlight, in a systematic manner, the challenges related to the evaluative process of Framework activities, in order to guide decision-making for the strengthening of the overall value of Framework evaluations, as a mechanism for United Nations system-wide accountability and learning at the country level.

40. One of the five recommendations issued are of relevance to UNDP. Recommendation 4 is directed to the Administrator.

41. UNDP generally supports this recommendation. Through its ongoing work on quality programming and strengthening the monitoring and evaluation function, UNDP is better equipped for increased harmonization of country-level evaluations. Efforts to increase overall synergy and reduce duplication of evaluation activities among United Nations organizations at the country level will be fostered by the new UNDAF guidance soon to be adopted by the United Nations Development Group. In this regard, the UNDAF guidance in monitoring for results companion paper establishes the Monitoring and Evaluation Technical Working Group/Data for Development Working Group that will further ensure consistency and efficiency in planning, conducting and using evaluations for accountability and learning.

42. The new UNDP evaluation policy, adopted by the Executive Board in its decision 2016/17, now guides the organization towards implementing new measures to strengthen the quality and utility of country-level decentralized evaluations, and encourages UNDP to collaborate with other United Nations organizations. To support implementation of the evaluation policy, UNDP has initiated a global project that aims to strengthen national evaluation capacities. This project is expected to complement efforts to coordinate evaluation activities, including in the UNDAF context, and ultimately to increase capacity to demonstrate the impact of the United Nations interventions on the ground. Through its commitment to strengthen its role in interagency undertakings, UNDP is also working to reduce the transactional burden of all partners and enhance general efficiency at the country level. The full implementation of this recommendation is contingent on a concerted effort by United Nations organizations to harmonize their evaluation activities, and to address differences in programming cycles, timelines and methodologies at the country level. Equally important is a joint effort by United Nations organizations to strengthen national evaluation capacities to ensure that credible evidence on joint results and impact

comes from external, independent sources. The UNDP global project on strengthening national evaluation capacities is a contribution to this effort.

E. Comprehensive review of United Nations system support for small island developing states: final findings (JIU/REP/2016/7)

43. The report of the Joint Inspection Unit entitled "Comprehensive review of United Nations system support for small island developing states: final findings" contains the final findings of the comprehensive review mandated by the General Assembly in its resolution 69/288. It addresses the scope of recommendations 1, 5 and 6 contained in the Joint Inspection Unit review entitled "Recommendations to the General Assembly of the United Nations for the determination of parameters for a comprehensive review of United Nations system support for small island developing states" (JIU/REP/2015/2) related to:

- system-wide coherence in United Nations system work in support of small island developing states to implement the Small Island Developing States Accelerated Modalities of Action (SAMOA) Pathway, taking into account its linkages with other global mandates;
- institutional set-up and coordination for monitoring and reporting on the implementation of the SAMOA Pathway;
- institutional and managerial mechanisms of coordination between the Department of Economic and Social Affairs and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.

44. Eight of the nine recommendations are of relevance to UNDP. Recommendation 5 is directed to the Administrator and recommendations 1, 2, 3, 4, 6, 7 and 8 are directed to the Executive Board for consideration.

45. With respect to *recommendation 5*, UNDP is an active member on the Inter-Agency Task Force on Financing for Development. The issues concerning small island developing states (SIDS) development financing challenges is a priority for UNDP. UNDP has been proactive in raising awareness of the issues and working to expand the evidential base for a political conversation on 'fit for purpose' financing for SIDS. To achieve this, UNDP has sought to develop partnerships with other major stakeholders to address the issues of vulnerability and access to concessional finance, and to determine what existing, new and innovative financing options SIDS have in looking to finance their sustainable development. At the Third International Conference on Financing for Development held in Addis Ababa in 2015, UNDP and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States launched a global report entitled "Financing for development and small island developing states: a snap shot and ways forward". This was complemented by a Caribbean regional report. A Pacific regional report is under development and will be finalized in 2017. UNDP and the World Bank have supported the establishment of a technical working group to look at the metrics of vulnerability, which includes other stakeholders in the United Nations, the Commonwealth Secretariat, the Organisation for Economic Co-operation and Development and a number of international financial institutions. This technical level work complements the Inter-agency Task Force on Financing for Development follow-up work on the Addis Ababa Action Agenda. This technical working group is also complemented by other ongoing analytical work under the mandate of the quadrennial comprehensive policy review of operational activities for development of the United Nations system to develop multi-dimensional measures of poverty. In the medium to longer term, this is

expected to influence country classification and, therefore, eligibility to grants and concessional loans from various financing sources. Bearing this in mind, UNDP accepts recommendation 5 and highlights that it is in progress.

F. State of the internal audit function in the United Nations system (JIU/REP/2016/8)

46. The report of the Joint Inspection Unit entitled "State of the internal audit function in the United Nations system" provides stakeholders with an update on the current status of the internal audit function in United Nations system organizations. The review addresses the roles, services and governance structures of internal audit functions, and considers the role of audit committees and coordination with external auditors where it touches the effective functioning of internal audit bodies. The review also explores the role of audit committees and coordination with external auditors to the extent they concern the effective functioning of internal audit bodies.

47. Four of the nine recommendations are of relevance to UNDP. Recommendations 2, 5 and 6 are directed to the Administrator and recommendation 9 is directed to the Executive Board for consideration.

48. With respect to *recommendation 2*, UNDP notes that the authority for hiring of staff is delegated from the Secretary-General to the Administrator of UNDP. The hiring of staff for heads of audit/oversight bodies follows the accountability framework approved by the Executive Board, as well as other Executive Board decisions. The Audit and Evaluation Advisory Committee, the UNDP oversight committee, presents its advice to the Administrator on the appointment, performance evaluation and dismissal of the heads of internal oversight units. Bearing this in mind, UNDP accepts recommendation 2 and highlights that it has been implemented.

49. With respect to *recommendation 5*, UNDP notes that despite serious organizational funding constraints, UNDP resources allocated to the internal audit function were kept at a level that did not significantly impact the function's ability to achieve the desired internal audit coverage and provide audit assurance (see DP/2016/16). The UNDP internal audit function has started piloting data analytics, which will be fully rolled out in 2017. The Office for Audit and Investigations has also implemented the practice of remote auditing in exceptional circumstances where physical access to the duty station is hampered by security concerns. In order to reduce the duration of the audit fieldwork, the office has piloted front-loading of audit assignments where more extensive work is done at the planning phase. Bearing this in mind, UNDP accepts recommendation 5 and highlights that it has been implemented.

50. With respect to *recommendation 6*, UNDP notes that all UNDP oversight bodies, including internal audit services, prepare a workplan and a budget which is submitted to the Executive Board with other budget documents for approval. Allocation of resources is based on the approved integrated budget. The workplan and budget of the internal audit function are established on the basis of a comprehensive annual risk assessment of the internal audit universe. This annual risk assessment is independently conducted by the internal audit function and its results are independently reviewed by the Audit and Evaluation Advisory Committee. As mentioned earlier, the resources allocated to the internal audit function do uphold the ability of this function to achieve the desired internal audit coverage, including a sufficient coverage of high-risk areas, and to provide audit assurance. Bearing this in mind, UNDP accepts recommendation 6 and highlights that it has been implemented.

G. Safety and security in the United Nations system (JIU/REP/2016/9)

51. The report of the Joint Inspection Unit entitled "Safety and security in the United Nations system" is system-wide and focuses on the services that the Department of Safety and Security, as the primary coordinating actor of the United Nations security management system, needs to effectively provide to the United Nations system. The review addresses strategic system-wide issues and does not look into specific technical areas of safety and security.

52. All four recommendations are of relevance to UNDP. Recommendations 1, 2, 3 and 5 are directed to the Administrator.

53. With respect to *recommendation 1*, UNDP notes that this recommendation is already being carried out in part through recommendation 14 of the Report of the Panel on United Nations Peace Operation of 2000 (known as the 'Brahimi report') which was approved by the Inter-Agency Security Management Network and implemented by the United Nations Department of Safety and Security in 2011. After extensive consultations with resident coordinators and Member States, it was determined that a supplemental host government agreement was not welcomed by Member States and, therefore, this recommendation was deemed unsuitable by Inter-Agency Security Management Network. As a reasonable alternative, the network agreed to the examination of different means by which to strengthen relations with host country authorities that would encompass a more holistic approach, which include, among other measures, a number of enhancements to training, compliance with security policies and procedures, and enhanced communications with Member States. This work is ongoing and is part of the Security Risk Management System of the United Nations Security Management System. Bearing this in mind, UNDP accepts recommendation 1 and highlights that it has been implemented.

54. With respect to *recommendation 2*, UNDP notes that a United Nations system-wide policy already exists in the "Security policy manual" (chapter VII, section D, on road safety) dated 31 October 2011. The roll out of the UNDP road safety campaign and training is continuing and UNDP is also actively engaged in the Inter-agency Working Group on Road Safety Strategy, which was created in October 2015 and which is led by United Nations Department of Safety and Security. Bearing this in mind, UNDP accepts recommendation 2 and highlights that it has been implemented.

55. With respect to *recommendation 3*, UNDP notes that compliance with UNDP policies and procedures, which includes compliance with safety and security guidance arrangements, is an intrinsic requirement embedded into the performance reviews of UNDP staff. Hence, unless there is a clearly identified need to do so for some offices/units, explicitly including compliance with safety and security mechanisms in the performance reviews of all staff may not be feasible. A new UNDP policy on performance management and development has been developed and will be in place in early 2017. The policy will make explicit reference to the fact that staff are expected to perform in line with United Nations values, standards of conduct, regulations, rules and policies. Periodic reminders of staff obligations with regard to performance expectations, including compliance with standards, regulations, rules and policies, will be issued, if and as relevant. The reminders will also include language specifically related to security implications. Bearing this in mind, UNDP accepts recommendation 3 and highlights that it is in progress.

56. With respect to *recommendation 5*, UNDP notes that as part of the effort to improve performance of UNDP staff, starting in 2017, all staff with supervisory responsibilities will have a mandatory result related to people management in their annual performance plans. To clarify expectations in terms of good people management, UNDP is preparing a 'manager checklist' which will include all relevant performance indicators. Safety and security indicators will be also included.

Bearing this in mind, UNDP accepts recommendation 4 and highlights that it is in progress.

II. Review of the acceptance and implementation of Joint Inspection Unit recommendations by the United Nations Development Programme (UNDP) (JIU/MIL/2016/10).

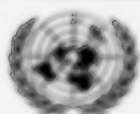
57. The management letter of the Joint Inspection Unit entitled "Review of the acceptance and implementation of Joint Inspection Unit recommendations by the United Nations Development Programme (UNDP)" is a review of the acceptance and implementation of Joint Inspection Unit recommendations by UNDP for the period 2006-2012.

58. Of the recommendations directed to UNDP, UNDP has implemented all relevant and accepted recommendations.

III. Status of UNDP implementation of Joint Inspection Unit recommendations in 2015-2014

59. In accordance with General Assembly resolution 60/258 of 8 May 2006, in which the General Assembly requested the Joint Inspection Unit to enhance dialogue with participating organizations and thereby strengthen the implementation of its recommendations, the implementation status of relevant recommendations contained in reports issued in 2015 and 2014 are reported in annexes III and IV (available on the Executive Board website) to the present report.

60. UNDP has pursued or implemented 80 per cent of the 19 relevant recommendations issued by the Joint Inspection Unit in 2015. Of the 38 relevant recommendations issued in 2014, 84 per cent have been implemented or are being pursued. UNDP is committed to following up on the implementation of the remaining relevant recommendations.



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Financial, budgetary and administrative matters

Cumulative review of the integrated budget, 2014-2017

Report of the Administrator

Executive summary

In its decision 2013/28, the Executive Board approved the UNDP integrated budget for 2014-2017, which forms an integral complement to the UNDP Strategic Plan, 2014-2017. The approval covered the regular resources portion of the UNDP integrated resources plan, including programmatic and institutional activities. The Board also took note of the "other resources" portion of the integrated resources plan of UNDP. Decision 2013/28 called for a midterm review of the integrated budget (which took place in conjunction with the midterm review of the Strategic Plan at the annual session of 2016, covering the period 2014-2015), and a cumulative review of the integrated budget at the annual session of 2017.

The present report presents the cumulative review of the integrated budget, 2014-2017.

Elements of a decision

The Executive Board may wish to take note of the cumulative review of the integrated budget, 2014-2017.



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I. Context

1. In its decision 2013/28, the Executive Board approved the UNDP integrated budget for 2014-2017, which complements the Strategic Plan, 2014-2017. The Board approved the regular resources portion of the UNDP integrated resources plan, including programmatic and institutional activities, and took note of the other resources portion of the integrated resources plan, which covers resources from bilateral and multilateral partners and programme country government partners, including growth in programme country government contributions in regions where non-core financing previously came predominantly from bilateral and multilateral partners. The decision also called for a midterm review of the 2014-2017 integrated budget (which took place (DP/2016/10) in conjunction with the midterm review of the Strategic Plan (DP/2016/9) at the 2016 annual session of the Executive Board, covering the period 2014-2015), and for a cumulative review (covering the period 2014-2016) at the annual session of 2017.

2. The UNDP integrated budget acknowledges the synergies and linkages between development and institutional results at country, regional and global levels. It also acknowledges the associated resource requirements as its underlying financial framework, approved by the Executive Board, is premised on a certain level of regular resources. It recognizes that institutional activities and their funding are essential strategic enablers for the achievement of development results. Hence, regular resources funding of these institutional activities is an essential element of the integrated budget and for delivering on the Strategic Plan and related Integrated Results and Resources Framework.

3. It is recalled that the objectives of a single and integrated budget that includes all budgetary categories are:

- (a) improving the results focus and enhancing linkages with the Strategic Plan results;
- (b) deliberately reducing the proportion of regular resources allocated to the institutional component of the integrated budget, in favour of the programmatic component;
- (c) rebalancing the resources within the institutional budget component, by decreasing the proportion allocated to management and increasing the proportion allocated to development effectiveness;
- (d) maintaining the core support for the coordination function.

4. Achievement of the above-stated objectives is premised on the following three pillars on which the integrated budget is based:

- (a) achieving synergies by integrating programmatic and institutional budget components;
- (b) leveraging the new cost classification, to respond to the quadrennial comprehensive policy review of United Nations operational activities for development and to further enhance the transparent and efficient usage of resources;
- (c) improving cost alignment through more rigorous and targeted implementation of the cost-recovery policy.

5. In this context, this report presents a cumulative three-year review covering the period 2014-2016 of the integrated budget, including the progress towards the achievement of the above-stated objectives of the integrated budget.

II. Update on 2014-2016 performance

Overall performance

6. The period 2014-2016 was unique from multiple perspectives. It was the start of the implementation of the UNDP Strategic Plan, 2014-2017, underpinned by the integrated resources plan encompassing the integrated budget. It was also the start of the implementation of the cost-recovery policy approved by the Executive Board in decision 2013/9. The structural change implemented within UNDP at headquarters and regional levels also continued during this period.

7. Overall, progress towards the achievement of the objectives of the integrated budget for 2014-2017 has been in the right direction at the strategic level¹ as illustrated in the table below, noting: (a) the reduction in the proportion of regular resources allocated to the institutional component of the integrated budget in favour of the programmatic component; (b) the rebalancing of resources within the institutional component of the integrated budget by decreasing the proportion allocated to management and increasing the proportion allocated to development effectiveness activities; and (c) maintenance of core support for the backbone of United Nations' development coordination activities. Achievement of these objectives leveraged the pillars on which the integrated budget was based, in particular synergies from integrating programmatic and institutional budget components, and leveraging the harmonized cost classification categories for enhanced transparency and improved cost alignment.

Regular resources	2016 actuals expenditures		2015 actuals expenditures		2014 actuals expenditures	
Programmatic	67%	\$415	61%	\$451	61%	\$507
Institutional	33%	\$207	37%	\$261	39%	\$325
Total	100%	\$621	100%	\$712	100%	\$832

Institutional	2016 actuals expenditures		2015 actuals expenditures		2014 actuals expenditures	
Development effectiveness	21%	\$43	24%	\$62	18%	\$57
United Nations coordination	17%	\$77	29%	\$76	22%	\$73
Management	38%	\$78	42%	\$110	55%	\$179
Special purpose	4%	\$9	5%	\$13	5%	\$16
Total	100%	\$207	100%	\$261	100%	\$325

* All amounts in millions of United States dollars.

** All references to 2014 and 2015 are from audited financial statements, and 2016 actuals are from 2016 unaudited financial statements.

*** Management expenditure of \$179 million in 2014 and \$110 million in 2015 includes transitional measures of \$132 million (\$66 million in each year). Management expenditures of \$78 million in 2016 includes \$33 million of transitional measures (50 per cent of the approved \$66 million for the period 2016-2017).

8. As seen in the table above, management expenditures decreased from \$179 million in 2014 to \$110 million in 2015 (a decrease of \$69 million), and to \$78 million in 2016 (a further decrease of \$32 million). More details are included in annex 1, tables 3, 4 and 6.

9. With respect to improved cost alignment, progress towards the implementation of the cost-recovery policy across its different aspects has been mixed, with good progress in the

¹ Overall performance related to improving the results focus is elaborated upon in the cumulative review of the UNDP Strategic Plan (DP/2017/15).

implementation of the 8 per cent cost-recovery rate for new third-party contributions, noting that the cost-recovery policy has varied general management support (GMS) rates for different funding instruments. Recognizing the progress made, some further improvements are needed with respect to the compliance with the 8 per cent cost-recovery rate and direct project charging of eligible programmatic and development effectiveness costs at project and programme levels. Details of the progress in the implementation of the cost-recovery policy are outlined further in the discussion below on cost alignment through improved cost recovery.

10. During 2014-2016, significantly reduced contributions to regular resources, exacerbated by the strengthening of the United States dollar, resulted in reduced totals of regular resources, which declined from \$793 million in 2014 to \$704 million in 2015 and \$618 million in 2016. In the context of General Assembly resolutions 67/226 and 71/243 on the quadrennial comprehensive policy review, which stressed that regular resources, because of their untied nature, continue to be the bedrock of the operational activities for the development of the United Nations system, and relevant Executive Board decisions, including decision 2013/28 on the UNDP integrated budget, UNDP will continue its efforts, with the support of all countries in a position to do so, to mobilize increased contributions to regular resources. Reductions in regular resources were applied proportionally to the programmatic and institutional components. The financial impact of reduced levels of regular resources in 2014-2016 is described below:

(a) Impact on the programmatic component: TRAC-1, TRAC-3, Programme support to resident coordination activities, the South-South Cooperation Programme and the Human Development Report Office were not impacted by the reduced level of regular resources as they are protected by decision 2013/28. Thus, the amounts of regular resources channeled to programme countries through TRAC-1 and TRAC-3 were maintained. However, protecting these programmatic lines resulted in a sharp reductions to TRAC-2, Regional Programme, Global Programme, the Programme of Assistance to the Palestinian People, Development Support Services, Economists' Programme, Policy Advisory Services, gender mainstreaming and the United Nations Capital Development Fund, as these are not protected. The review of the Strategic Plan discusses the important role of development effectiveness activities with respect to programme quality;

(b) Impact on the institutional component: As a reprioritization, in line with a deliberate decision of UNDP management, resource allocation levels within the institutional component of the integrated budget for United Nations coordination activities have been protected in line with the objectives of the integrated budget, due to the importance of UNDP stewardship of the resident coordinator function. Resource allocation levels for oversight functions (i.e., Office of Audit and Investigations, Independent Evaluation Office, Ethics Office) faced relatively lower reductions, in line with reduction levels presented in the approved integrated budget document (DP/2013/41) of 4 per cent per year. The institutional budget of the United Nations Office for South-South Cooperation was also protected. As a consequence, the institutional budget for all other areas, in particular management activities, was significantly reduced.

11. The 2014-2016 financial performance against the integrated budget for 2014-2017 approved by the Executive Board discussed in paragraphs 6-9 above has been presented in the annexes as follows:

(a) Annex 1:

(i) Table 1 compares the 2014-2017 planning estimates presented in the UNDP integrated budget (DP/2013/41) with 2014-2016 actuals based on the audited figures for 2014 and 2015 and unaudited figures for 2016. The table includes overall actual contributions of \$13.8 billion in 2014-2016, which is 71 per cent of the level of \$19.4 billion in contributions in the integrated resources plan, 2014-2017. This \$13.8 billion is comprised of \$2.1 billion in regular resources, \$9.1 billion in other resources contributions from bilateral/multilateral partners and \$2.6 billion from programme country government partners. The table shows that notwithstanding the overall

reductions in regular resources during the period 2014-2016, progress towards achieving the key objectives of the integrated budget has been in the right direction, noting the proportion of resources across the harmonized cost-classification categories remaining broadly in line with the 2014-2017 planning parameters;

(ii) Table 2 provides the linkage of 2014-2016 actuals to the Integrated Results and Resources Framework of the Strategic Plan;

(iii) Table 3 compares actual expenditures by category, with the budget for the institutional component of the integrated budget, during the period 2014-2016;

(iv) Table 4 presents the distribution of the institutional component of the integrated resources plan between harmonized functional clusters during the period 2014-2016;

(v) Table 5 presents regular and other resources expenditures by Strategic Plan outcome;

(vi) Table 6 provides comparison of the actual expenditures with the budget for the programmatic component of the integrated budget by programmatic line, during the three-year period 2014-2016.

(b) Annex 2 provides the details of the cost recovery-related waivers granted during 2014-2016;

(c) Annex 3 provides an overview of resources for external oversight functions.

Cost alignment through improved cost recovery

12. In decision 2013-9, the Executive Board recognized that cost recovery, proportionally from regular and other resources, would lead to fewer resources being drawn from regular resources to finance the management costs of contributions to other resources, and a larger share of regular resources being allocated to programme activities, thereby providing incentives for contributions to regular resources. With respect to improved cost alignment and an environment of lower regular resources, there is a need to reflect on the relevance of the varied GMS rates for different funding instruments, as well as the possibility of applying discounted GMS rates on larger contribution volumes and premium (i.e., higher) GMS rates on smaller contribution volumes.

13. It is recalled that in approving the 2014-2017 integrated budget, the Executive Board approved transitional measures of \$132 million for 2014-2015 and \$66 million for 2016-2017. Thus, for the period 2014-2016 transitional measures amounted to \$165 million (\$132 million + \$33 million). Transitional measures are funded by regular resources that were required due to the transition time needed before the new cost-recovery policy was in full effect, in particular the phasing out of the legacy cost-recovery rates of less than 8 per cent for third-party contributions, and full implementation of direct project charging of eligible development effectiveness activities.

14. In 2014-2016, progress was mixed towards the implementation across different aspects of the approved cost-recovery policy. Good progress was achieved in the implementation of the 8 per cent rate for new third-party contributions, and there was some progress in direct project charging of development effectiveness costs at 'project level' and 'programme level'. However, further improvements are needed with respect to further compliance with the 8 per cent cost-recovery rate and direct project charging of development effectiveness costs at project and programme levels.

15. Planning assumption for implementing the GMS cost-recovery rate of 8 per cent was that 75 per cent of the third-party agreements would be in compliance with this policy by the end of 2016. However, UNDP exceeded that initially envisaged level by achieving an 89 per cent compliance rate by the end of 2016. The remaining 11 per cent of agreements relate primarily to extensions of ongoing projects with legacy cost-recovery rates (below 8 per cent), as well as the

impact of waivers (see annex 2 for an overview of waivers granted in 2014-2016) to the 8 per cent cost-recovery policy.

16. The actual effective cost-recovery rate increased from 6.1 per cent in 2014 to 6.3 per cent in 2015 and to 6.4 per cent in 2016. The effective rate is by definition lower than the approved 8 per cent rate, taking into account the approved differentiated rates, waivers and legacy rates. Below are the details of cost-recovery revenue earned in 2014, 2015 and 2016 by funding stream:

Funding stream	2014		2015		2016	
	(In millions of United States dollars)					
	Non-core programme expenses	Cost recovery revenue	Non-core programme expenses	Cost recovery revenue	Non-core programme expenses	Cost recovery revenue
Third-party cost sharing	1,293.4	77.6	1,296.5	82.6	1,200.5	78.5
European Union	254.7	16.4	347.4	20.8	241.1	15.1
Programme Country government cost sharing	907.1	35.0	918.0	35.5	798.8	29.3
South-South contributions	3.1	0.2	2.6	0.2	2.7	0.1
Thematic trust funds	114.7	6.8	107.8	4.4	60.3	4.1
Global Environment Facility	350.8	37.1	374.2	41.7	397.0	36.1
Global Fund to Fight AIDS, Tuberculosis and Malaria	474.0	31.2	423.2	28.6	395.5	25.9
Montreal Protocol	38.0	2.5	37.4	2.4	31.1	1.9
Law and Order Trust Fund for Afghanistan	382.7	14.7	247.4	9.5	319.4	12.3
Other trust funds	64.1	3.7	51.1	3.6	58.4	4.2
Total	3,882.8	225.2	3,805.5	229.3	3,504.9	207.4

17. It is recalled that per Executive Board decision 2013/9, "on an exceptional basis (...) the Administrator may consider granting a waiver of the cost-recovery rates on a case-by-case basis, (...) and that the Executive Board will be informed of these waivers in the annual financial reports".

18. In 2014, 2015 and 2016, 24, 9 and 12 waivers respectively were granted at the request of the respective funding partners. Waivers granted in 2014-2015 have been reported in the annual reports on the financial situation for 2014 and 2015. The waivers granted in 2016 will be reported in the annual report for 2016. Details of these waivers are provided in the annex 2.

19. In 2016, a joint inter-agency (UNDP, United Nations Children's Fund, United Nations Population Fund, United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women)) cost-recovery review, including an independent and external assessment of the consistency and alignment of the harmonized cost-recovery methodology with General Assembly resolution 67/226, took place in accordance with Executive Board decision 2013/9 on cost recovery. Moreover, the four agencies held a joint informal session with the Executive Boards in February 2017 and presented information on the actual performance of the cost-recovery policy based on 2014 and 2015 actual financial data. The review and the 2014-2015 data demonstrated that the four agencies were compliant with the harmonized cost-recovery and integrated budget frameworks approved by the Executive Boards. It also showed that the four agencies applied the approved cost-recovery framework and the approved cost-recovery rates consistently. In the case of UNDP, the 2014-2015 data demonstrated that there was no cross cross-subsidy between regular and other resources, hence UNDP complied with the Executive Board-approved cost-recovery policy and the integrated budget framework.

20. Based on the feedback received from the Executive Board at the aforementioned joint informal session, and to comply with the Boards' previous decisions to receive all the requested information on cost recovery in time to be included for the consultations on the 2018-2021 strategic plan and integrated budget, the four agencies are preparing a conference room paper, with detailed financial information for 2014-2016, outlining:

(a) Proposed principles on the use of regular resources for financing agencies' activities, noting the unique nature of regular resources referred to in General Assembly resolutions 67/226 and 71/243;

(b) Review of application of cost recovery by the four agencies in the context of their business and funding models, relative size and the resulting impact on comparability and harmonization;

(c) Impact of the differentiated rates on cost recovery due to different governing mechanisms of multilateral and non-governmental donors;

(d) Building on the above, proposed options for the cost-recovery methodology, identifying implementation implications, pros and cons and opportunities and challenges.

Government contributions towards local office costs

21. Government contributions towards local office costs (GLOC) comprise direct cash payments, accounting linkage with voluntary contributions and in-kind contributions. In 2014-2016, UNDP achieved an average of 73 per cent recovery on GLOC cash targets. This represented an improvement over the levels of GLOC cash received in prior years (\$85.9 million in 2014-2016 compared to \$67.5 million in 2011-2013).

Measures taken in 2014-2016

22. As mentioned above, UNDP was faced with the implications of significantly reduced levels of regular resources during 2014-2016, which was exacerbated by the strengthening of the United States dollar. UNDP managed this situation by making adjustments in its spending levels and organizational structure. The cumulative review of the Strategic Plan discusses organizational performance and gains achieved by the structural change process, including by strengthening the regional hubs to bring support closer to country offices.

23. Despite the drop in regular resources income, UNDP ensured that the regular resources channeled to programme countries through TRAC-1 and TRAC-3 were maintained. However, this adversely impacted the availability of complementary support, provided through regional and global programmes, and through development effectiveness and management services. During the three-year period 2014-2016, the average management ratio was contained at 8.0 per cent, as compared to the planning assumption of 8.1 per cent for the period 2014-2017 (Please refer to annex 1, table 1 for the calculation of the management ratio).

Regular resources expenditures for security measures

24. In its decision 2013/28 on the UNDP integrated budget, the Executive Board decided, "in continuance of existing arrangements, to grant the Administrator with exceptional authority, during 2014-2017, in addition to the approved appropriation from regular resources for the insitutional component of the integrated budget of \$1,510.4 million, to access up to \$30 million in regular resources for security measures." During 2014-2015, \$5 million was drawn to respond to the outbreak of Ebola virus disease in West Africa. This was reported to the President of the Executive Board and disclosed in the annual review of the financial situation, and is shown in annex 1, table 1. There were no additional expenditures for security measures during 2016.

III. Outlook for 2017

25. It is recalled that the integrated resources plan within the 2014-2017 integrated budget incorporated 2016-2017 estimates with: (a) further reductions in the planned usage of regular resources for management activities as compared to 2014-2015 estimates; (b) gradual phasing out of transitional measures in conjunction with further improvement called for in cost alignment through enhanced cost recovery; and (c) funding of differentiated physical presence in line with decision 2013/30, noting that the end of the two-year grace period started in 2016 and applied to 14 high-middle-income countries (per table 2 of DP/2013/45).

26. As mentioned above, overall progress towards the achievement of the objectives of the integrated budget for 2014-2017 has been in the right direction at the strategic level during 2014-2016.

27. In 2017, contributions to regular resources will continue to play a pivotal role in meeting the objectives of the Strategic Plan, including through the availability of the core institutional funding that is essential to deliver on the Strategic Plan in an accountable and effective manner. UNDP, with the support of Member States and other funding partners, will continue to strive to achieve the approved level of regular resources for 2017, in line with the financial framework approved by the Executive Board. Further, the approved transitional measures amounting to \$33 million will be required in 2017, until the measures required by decision 2013/9 have been fully implemented (i.e., 8 per cent rate for third-party cost-sharing contributions, and direct charging of eligible development effectiveness costs to programme resources). This is particularly important as reduced levels of regular resources would result in continued pro-rata reductions of both the programmatic and institutional components of the integrated budget.

28. UNDP will also continue to take measures to reduce the impact of any potential adverse change in resource levels, to ensure that it delivers on the Strategic Plan, 2014-2017 and is well positioned to play a vital role in the implementation of 2030 Agenda for Sustainable Development. This would include initiatives such as: (a) advocating for a reversal in the negative trend in regular resources with the '100 partners' campaign, including by diversifying the funding base among and beyond Governments; (b) enhancing the UNDP organizational planning processes, to increase effectiveness and efficiencies; (c) leveraging the introduction of new funding windows for lesser-earmarked resources; and (d) adjustments to spending levels in line with prior practice to remain within Executive Board-mandated liquidity parameters (i.e., above three months core liquidity levels). Additional measures with respect to cost alignment, GLOC collection and support to United Nations coordination are outlined below.

29. Increasing cost alignment through enhanced cost recovery. To make further progress towards the full implementation of the cost-recovery policy with the support of UNDP funding partners, compliance with the 8 per cent rate for third-party contributions will be monitored rigorously. Furthermore, in recognition of the need to accelerate efforts to plan for and implement the direct project charging of eligible programmatic and development effectiveness costs, internal targets have been set. Progress against these targets will be monitored through a robust performance measurement system.

30. Improving GLOC collection. UNDP appreciates improvements made by programme countries in respect of the support which they provide through government contributions towards local office costs. There is room for improvement in GLOC collection, however. With the vital support of programme country Governments and by continuing with the right incentives, UNDP aims to improve GLOC collection in 2017.

31. Support to United Nations coordination activities. As in the past, UNDP will continue its strong support for the United Nations coordination function by performing its stewardship role in this regard.

IV. Conclusions

32. The period 2014-2016 was unique from multiple perspectives. It was the start of the UNDP Strategic Plan, 2014-2017, underpinned by the integrated budget, and it was the start of the implementation of the new cost-recovery policy. At the same time, UNDP was faced with the implications of significantly reduced levels of regular resources.

33. UNDP responded to these challenges by making progress towards the objectives of the integrated budget, 2014-2017, underpinned by its three pillars: (a) achieving synergies by integrating the programmatic and institutional budget components; (b) leveraging the new cost classification, to further enhance the transparent and efficient usage of resources; and (c) improving cost alignment through implementing different aspects of the cost-recovery policy. It also adjusted spending levels downwards, while protecting the majority of country-level programme resources and maintaining its support to the United Nations coordination function.

34. Taking into account the actual performance for 2014-2016 discussed in the present report, the UNDP financial resource plan for 2014-2017 remains within the financial framework approved by the Executive Board in decision 2013/28, albeit at a reduced level of regular resources. Because regular resources provide an essential and predictable foundation for responding to the needs of programme countries and supporting the mandate, integrity and resource mobilization platform leading to the results of the Strategic Plan, UNDP, with the support of Member States and other funding partners, will intensify its efforts to achieve the level of regular resources in line with the 2017 financial framework. It will also strive to increase the level of unearmarked other resources through new funding windows.

35. During 2017, UNDP will continue to take measures to reduce the impact of any potential adverse change in resource levels, to ensure that it delivers on the Strategic Plan, 2014-2017 and is well positioned to play a pivotal role in the implementation of 2030 Agenda for Sustainable Development. In this regard, UNDP will appropriately enhance its planning processes towards increased effectiveness and efficiency; leverage new funding windows; adjust spending levels according to needs; accelerate implementation of all the aspects of the cost-recovery policy; improve GLOC collection; and maintain its support to the United Nations coordination function.

36. The above-mentioned efforts, in addition to the lessons learned during the implementation of the Strategic Plan and integrated budget for 2014-2017 will constructively inform the preparation of next strategic plan and integrated resources plan, which encompasses the integrated budget, for the period 2018-2021.